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BOLSHAKOV HITS U.S. ARMS EXPENDITURE, PENTAGON BUDGET FOR ICBMS

LD301137 Moscow PRAVDA in Russian 20 Nov 79 p 5 LD

[V. Bolshakov article under the rubric "International Remarks": "Where Is the Threat Coming From?"]

[Text] The bourgeois mass information media are whipping up hysteria more actively everyday about the imaginary "Soviet threat." The Western propaganda organs seek to convince even Soviet people that such a "threat" exists. Thus in Russian language broadcasts the Voice of America asserts: "The USSR has been steadily increasing its military expenditure for a long time now with a view to extending its military might throughout the world. The NATO countries have clearly lagged behind the Soviet rate of qualitative change in nuclear forces." It is well known who is really increasing military expenditure not by the day, but by the hour. It is not the USSR, but the United States and its allies.

Let us turn to the facts. These data have been mentioned repeatedly in American sources: "All strategic nuclear forces currently in the U.S. armory--bomber, ICBMs and SLBMs--have a total of approximately 9,200 warheads." Nonetheless, as AP has reported, in the U.S. Senate, where "hawks" opposed to the ratification of the SALT II treaty are very active, "the opinion exists that the American defense potential is not what it should be."

The "hawks," those very noisy "go-getters" for the military-industrial complex, are calling for a further buildup in U.S. nuclear arms. Following on the adoption of decisions on the deployment of MX mobile ICBMs, the creation of Trident missiles and the manufacture of the basic components for neutron weapons, the U.S. military-industrial complex is awaiting the signal to start up the conveyor belts for medium-range Pershing II missiles intended for deployment in Western Europe.

Nor has attention been withehld from other types of weapons. The other day it became known that the preliminary Pentagon budget for fiscal 1981 includes appropriations of $19.3 million for the production of nerve-paralyzing toxins. These resources are intended to finance the initial period of construction of an enterprise costing a total of $170 million, at which it is planned to produce missiles filled with chemicals. In essence, as the New York TIMES newspaper writes, this is a "program for the production of a new generation of chemical weapons."

America's Boston GLOBE newspaper reported the other day that "research in the sphere of creating weapons making use of powerful lasers" is proceeding rapidly in the United States. The first tests have already been carried out on experimental models of laser weapons capable of destroying missiles and aircraft in the atmosphere and in space. It is obviously again a question of attempts by the Pentagon, which is financing this research, to achieve military superiority over the socialist countries.

Commenting on Pentagon plans to create new means of mass destruction, the DAILY WORLD, the American communists' newspaper, writes that the merchants of death and those who defend their interests in the Pentagon are creating modern means of destruction "which will kill more people more cruelly than earlier weapons."

The madness of such designs is particularly apparent in the light of the recent peace initiatives put forward by the Soviet Union, which has again demonstrated its firm will for peace and for averting the threat of nuclear war. And this threat, as is obvious, emanates not from the USSR, but from those who are unwilling to renounce the profits they obtain as a result of the arms race.

The peace-loving public demands the speediest elimination of missiles and nuclear weapons already stockpiled and a ban on nerve-paralyzing gases, and also on all other means of mass destruction. "If this could be achieved by means of placing a large order for strait-jackets for the merchants of death and the Pentagon," the DAILY WORLD writes sarcastically, "this would be a good capital investment." Well, if you take into account the fact that during recent tests a cruise missile all but crashed into the house of a farmer in Utah, it is not impossible that the DAILY WORLD's proposal may interest many Americans.

NETHERLANDS STAND ON EUROMISSILES COULD DETERMINE ALLIES ATTITUDE

LD031157 Rotterdam NRC HANDELSBLAD in Dutch 17 Nov 79 p 3 LD

[Article by APN political commentator Sergey Guk: "Modernization of Nuclear Weapons Is Contrary to Europe's Interest"]

[Text] The stance which the Netherlands Government will represent at the NATO meeting in December can scarcely be described as far as clear or well-defined. It has been announced that The Hague does not intend to oppose the decision on the purchase of U.S. missiles for Europe. At the same time, the proviso has been made that NATO, for the present, must only take a decision on the development and limited manufacture of new missiles and not on their deployment. This proviso is accompanied by a second proviso from which it is to be inferred that the Netherlands Government is prepared to go along with the majority of the NATO members without objections.

A third proviso stems from the opposition. The latter warns the government against ignoring the will of the parliamentary majority, which is opposed to the deployment of U.S. missiles on Dutch territory.

But ultimately, despite all provisos and warnings, the Netherlands will represent in Brussels a stance in favor of the deployment of new U.S. nuclear weapons.

Special Significance

The debates in the Netherlands parliament are beginning to take on a special significance. A unique situation has recently developed in West Europe whereby one country's decision could be to a large extent decisive for the future of many other countries.

If the Netherlands Government, supported by the majority of parliament and of the population, vigorously refused to make Netherland territory available for foreign missile bases, the other NATO partners would follow this example. As a result, not only would the Netherlands avoid the hazardous and unpalatable role of a potential target in acts of nuclear retaliation, but also the whole of Europe could be spared the new round in the arms race.

Concern

Is it really necessary to develop new nuclear missiles for Europe, already supersaturated more than any other continent with all kinds of weapons?

Washington's reply to this question is affirmative, because Europe is allegedly defenseless against the Russian medium-range missiles. The White House maintains that its plans are motivated exclusively by concern about its allies' fate.

If that is the case, why have the Americans waited so long before discussing their "noble" motives? The Soviet Union proposed placing medium-range missiles on the agenda of the SALT talks 10 years ago. Whey did the United States not make it known at that time that it was concerned about its allies' interests? Why was the U.S. response negative?

Was the United States seeking an opportunity to be able to manufacture such missiles itself unrestrictedly in the future?

It is far more favourable for the Pentagon to attack the Soviet Union from its allies' territory rather than U.S. territory. The Pentagon hopes to safeguard the United States against devastating nuclear attacks by having the conflict take place within the borders of Europe.

Russian Step

The Soviet Union has officially stated that it has not increased the number of medium-range nuclear missiles during the last 10 years--a fact which nobody can refute. And if Washington remains so concerned about West Europe's security, who will prevent the Americans from seeking the solution to the problem of medium-range missiles in a reduction rather than an expansion of military confrontation?

The Soviet Union has already proposed on dozens of occasions sitting down at the negotiating table to reach a compromise acceptable to both sides. Russian head of state Leonid Brezhnev stated only very recently that the Soviet Union is prepared to reduce the number of medium-range missiles in the west of the country (and not to move them to the east, as his proposal is being interpreted in some Western circles).

All that NATO is being asked is to forgo the manufacture and deployment of new kinds of weapons. The United States has not yet explored all possibilities of a peaceful solution to the problem. On the contrary, there is no indication that it even wishes to explore such possibilities.

West Europe, including the Netherlands, has a considerable number of responsible politicians who realize where uncritical compliance with Washington's plans could lead. The frequently mentioned U.S. "nuclear umbrella" is more like a nuclear pitfall: Offensive weapons of mass destruction are least of all capable of playing a protective role. The Netherlands, like the FRG, Denmark, Belgium and other countries, is talking increasingly about a compromise: It wants a decision to be made on the manufacture of U.S. nuclear missiles without deciding on their deployment, and wants negotiations subsequently to be started with the Soviet Union.

Under any circumstances, negotiations are preferable to no negotiations, especially if the talks are conducted with a desire to reach a compromise and not to waste time putting forward unacceptable proposals. However, the above-mentioned plan has no real basis: Who is going to manufacture new kinds of weapons merely in order to destroy them subsequently?

In the event, sufficient excuses will be found to deadlock the talks and thus create grounds for the missiles' deployment.

It is no accident that advocates of "arming despite everything" propose holding talks with the Russians because public opinion demands this. But--they say--the West must manipulate the talks in such a way that the public become convinced that the only way to negotiate with Moscow lies in increasing military capability and stockpiling more and more new weapons.

The Netherlands has changed its stance under the pressure from its most important NATO partner. The United States, which has revised its doctrine with respect to "small-scale" nuclear wars (Henry Kissinger) over the last few years, will carry through its plans, despite its allies' objections. The foremost U.S. aim is to possess definitive military superiority by the mid-eighties (Harold Brown).

And the Soviet Union will not, of course, idly watch the U.S. military presence in West Europe expand.

But what interest do the West Europeans have in such a development? Have they still a chance to determine their own future independently, without being pressured by anybody?

GENSCHER PERSONAL VIEW OF USSR POSITION 'PROVES' NEED FOR MISSILES

LD031836 Moscow TASS in English 1813 GMT 3 Dec 79 LD

[Text] Bonn, December 3, TASS--The Foreign Ministry of the FRG has circulated an interview given to the West German television by Federal Foreign Minister Hans-Dietrich Genscher. It dealt with the forthcoming session of the NATO Council which is to consider, at U.S. insistence, the question of deployment of new types of American medium-range nuclear-missiles in Western Europe.

When asked whether one should expect a negative reaction from Moscow if the FRG votes in Brussels for deployment of American nuclear missiles, H.-D. Genscher said "the Soviet Union has made in recent years considerable efforts to build up its medium-range arms. The need now is to prevent the equilibrium from being upset. We want to take in December a decision on additional armament of the West with medium-range arms".

By saying so the FRG federal minister of foreign affairs actually misleads public opinion in his own country and other countries distorting the Soviet Union's official statements to the effect that in the last ten years the Soviet Union has not increased by a single missile, by a single plane the number of medium-range nuclear-weapon vehicles in the European part of the country.

This is well known to Herr Genscher. But as follows from the interview, he needs his own interpretation of the Soviet position in order to prove that in any case the December NATO Council session should take a decision on deployment of American missiles.

Moreover, it is clear from H.-D. Genscher's interview that the FRG has already taken such a decision. "It was not easy for us--I have in view the federal chancellor, the defence minister of the FRG and myself--to take such a decision... We reached a conclusion on the need for such a decision. The cabinet approved this decision and we should adhere to it."

H.-D. Genscher then said that the FRG links such a decision at the NATO Council session with a "concrete proposal for talks with the East" and that the USSR "would facilitate such talks if it stopped immediately any further buildup of its medium-range missile potential."

In this context it should be recalled that the foreign minister of the USSR made it quite clear in his talks with West German officials that if NATO takes a decision on the manufacture and deployment of new types of American nuclear missiles in the territories of certain West European countries, the FRG included, the very basis for negotiations would be destroyed, would become non-existent.

As to Soviet medium-range arms mentioned by H.-D. Genscher, the Soviet Union has been trying to facilitate such talks by coming up with a proposal for opening them without delay. But as is clear from the statement of the West German foreign minister, this Soviet proposal met with no positive response from the Federal Republic.

In his striving to justify the arms race in Europe, H.-D. Genscher assures the West German public that Western powers are allegedly taking steps to cut armaments and armed forces in central Europe. And this is said at a time when NATO is planning a new dangerous step toward spurring up the arms race and deploying new nuclear missiles in Europe.

To the question: "But there exists a theoretical possibility of a different solution. This is believed by some of the NATO partners, the Dutch, for instance. Can our decision be changed?" H.-D. Genscher replied a categorical "no". Thus he confirmed that on the eve of the SDPG congress the Government of the FRG took course toward stepping up the arms race.

U.S. TROOP TRANSFER 'OVERT PENTAGON THREAT' TO FRG

LD012022 Moscow TASS in English 2010 GMT 1 Dec 79 LD

[Text] Bonn, December 1, TASS--The United States command is sending into the FRG another U.S. air brigade. The news agency DPA reports that the first group consisting of eight A-10 attack aircraft of the 81st wing of the U.S. Air Force arrived from Britain at NATO's Air Base Ahlhorn near Oldenburg. The second group consisting of ten aircraft is to arrive in a few days' time. The wing's command explains the movement of the brigade by the need to be closer to a possible area of operations. The plans of the U.S. command envisage further increase of the numerical strength of U.S. troops in the FRG by 18,000, writes the newspaper GENERAL-ANZEIGER.

The movement of U.S. military units into the FRG, now that the meeting of the NATO leading bodies is drawing nearer is assessed as the Pentagon's overt attempt to bring pressure on the West European partners, above all the FRG, to make them agree to the deployment of new U.S. nuclear missiles of a medium range. These designs are accompanied by psychological conditioning of the population. Hardly a day passes without the mass media of the FRG whipping up allegations about "Soviet military menace". While engines roar, West Germans are being told that there must not be doubts about the necessity of creating NATO's new missiles nuclear potential in Europe.

The progressive public of the FRG justly regards these militaristic plans as a serious threat to the country's security. UNSERE ZEIT stresses that the increase of the numerical strength of U.S. forces in FRG contradicts the policy of detente, hampers successful conclusion of the Vienna talks on the reduction of armed forces and armaments in central Europe.

NUCLEAR PLANNING GROUP DECISION LEAVES ITALY WITH 'SERIOUS CHOICE'

LD030913 Moscow IZVESTIYA in Russian 28 Nov 79 Morning Edition p 4 LD

[Correspondent N. Paklin report: "A Time of Crucial Decisions"]

[Text] Rome--Italian Prime Minister F. Cossiga has entered into consultations with the leaders of the political parties which form part of the government or support it on a wide range of topical questions of the country's domestic and foreign policy. As the Italian newspapers report, the main foreign policy question is that of the so-called Eurostrategic missiles. On 4 December this question will be discussed in the Italian Parliament, which is to have an important say in Italy's position at the December NATO Council session in Brussels.

The question of the deployment of new nuclear missiles on Italian territory has already been discussed in the Chamber of Deputies 3 weeks ago. But no note was taken, at the government's own request, because at that time NATO's specific recommendations on the deployment of the new missiles in West European countries had not yet been elaborated. They have now been elaborated by NATO defense ministers at the bloc's Nuclear Planning Group session.

What "gifts" do the Pentagon and NATO intend to bestow on Italy? It is planned to deploy 112 cruise missiles in Italy, but apparently not only those. The Italian press believes that apart from the cruise missiles, approximately 20 Pershing II's are to be deployed on the Apennine Peninsula.

The militarists' dangerous plans are meeting with growing public resistance in Italy. The Communist Party and certain other parties are coming out against the deployment of new nuclear missile weapon systems. Demonstrations are taking place in various cities under the slogan "for disarmament, against missiles!". A wide response was aroused in Italy by the proposal by L.I. Brezhnev, general secretary of the CPSU Central Committee and chairman of the USSR Supreme Soviet Presidium, on beginning talks without delay. This has been supported by the Italian Communist Party. The idea of talks met with a favorable response even among those Italian political forces which, alining themselves with the notorious "Atlantic solidarity," were prepared to agree to the American plan with some reservations. The constructive nature of the Soviet initiatives has made it possible for many people in Italy, as well as in other West European countries, to look at the situation arising in Europe in a fresh light.

There was an extremely negative response in Italy to U.S. Defense Secretary H. Brown's statement to the effect that the United States will not agree to separate the decision on beginning the production of new missiles from the decision on their deployment. The Italian Socialists, who insist on just such a "separation" in order to hold East-West talks in the interim, have thereby been forced, apparently, to review their position.

Italian parliamentarians and the government will soon have to make a serious choice as to whether Italy should follow in the wake of the Pentagon and NATO nuclear missile arms race, or firmly prefer the reasonable path of talks, the path of military detente and the consolidation of peace in Europe.

RACHKOV VIEWS ARMS MANUFACTURERS' MOTIVES IN ADVOCATING EUROMISSILES

LD031003 Moscow EKONOMICHESKAYA GAZETA in Russian No 49 Signed to Press 27 Nov 79 p 21 LD

[Observer B. Rachkov article: "Who Benefits From the Arms Race?"]

[Text] As the date of the next NATO session approaches--it is scheduled for mid-December this year--the debate over the issue of deploying new American nuclear missile weapons in West Europe is sharpening. As the NATO bulletin LES NOUVELLES ATLANTIQUES reports, the bloc's upcoming session will decide to "modernize" its nuclear arsenal on the European Continent.

Specifically this refers to the intention of the most reactionary imperialist circles to foist on the West European NATO states the purchase and deployment on their territory of two new types of medium-range nuclear missiles--the Pershing II and the Tomahawk, a cruise missile. The meeting of the group of NATO's Nuclear Planning Group held in mid-November in Brussels made a preliminary examination of the question of deploying 108 Pershing II missiles and 464 Tomahawk cruise missiles in West Europe. However, foreign observers believe, these 572 missiles may prove to be only the first stage in a renewal of NATO's nuclear forces in Europe, with the number of these missiles at least doubling during the subsequent stages.

Reactionary propaganda is intensively manipulating West European and all international public opinion in an attempt to justify the imperialist military's new schemes by citing the existence of what is alleged to be a mounting threat to the West from the USSR's Armed Forces. This is the same camouflage that the American military-industrial complex is using intensively to thwart ratification by the U.S. Congress of the SALT II treaty. The falsity of claims of this kind, which is refuted [as published] by the consistent course of the peace-loving policy of the CPSU and the Soviet state, has been particularly obvious against the background of Comrade L.I. Brezhnev's speech delivered 6 October 1979 in Berlin.

"As chairman of the USSR Defense Council," L.I. Brezhnev said, "I state with the utmost clarity that in the last 10 years the number of medium-range nuclear weapon delivery vehicles on the territory of the European part of the Soviet Union has not been increased BY A SINGLE MISSILE OR A SINGLE AIRCRAFT."

At the same time Comrade Brezhnev announced the USSR's readiness to reduce in comparison with the present level the number of medium-range nuclear weapons deployed in western regions of the Soviet Union provided that there is no additional deployment of medium-range nuclear weapons in West Europe.

This peaceful Soviet initiative, which has the aim of advancing the solution of the whole complex of problems of military detente and arms limitation on the European Continent, was correctly interpreted by all to whom peace and security in Europe are dear.

Under these conditions the peace-loving public of both hemispheres is asking over and over again: Just who benefits from fanning military hysteria when mankind's interests demand not the buildup but the ending of the arms race? LES ECHOS, the newspaper of French business circles, which is well informed about the behind-the-scenes secrets of capitalist business, was one of the first to answer this question in detail. Commenting on the heated disputes that rang out at the Brussels meeting, LES ECHOS writes:

"In reality a huge commercial battle lies behind the experts' academic discussion. To manufacture, deliver and deploy in West Europe 1,000-1,200 nuclear missiles is by any reckoning a major deal for American industry. At any rate, it is a prospect attractive enough for the transatlantic lobbies to mobilize their forces and do everything possible to conclude this fabulous new deal of the century."

Just what kind of sums are at stake? Judging by the calculations of America's BUSINESS WEEK and France's FORUM INTERNATIONAL, just the first stage of the renewal of NATO's nuclear arsenal in Europe promises the suppliers of the missiles orders worth $5 billion.

The Western press also names the specific "transatlantic lobbies"--in the words of LES ECHOS--that are seeking as rapidly as possible to grab another fortune from the militarist business. They are primarily the representatives of concerns that manufacture missiles, bombers and electronic and other equipment for the Pentagon such as Boeing, General Dynamics, Northrop, Grumman, Lockheed, General Electric and McDonnell-Douglas.

The share that the West European countries are to contribute to the total spending on the nuclear missile "modernization" if it is finally approved has still to be calculated by NATO experts. But THE FINANCIAL TIMES, the newspaper of British business circles, already knows that Italy alone, for instance, will have to shell out a sum of about $400 million in favor of the U.S. military-industrial complex. And this at a time when Italy itself is in dire need of new investment to develop its economically backward regions and to modernize its national industry, when crisis phenomena in the country's economy have increased its army of unemployed to 1.6 million and raging inflation in Italy is increasing the cost of living by 14 percent in 1979 alone.

The U.S. military-industrial complex, which has brought the American people many calamities, is preparing for a new foray into the West European countries.

DEFENSE MINISTER USTINOV LEAVES FOR WARSAW PACT MEETING

LD031132 Moscow Domestic Service in Russian 0930 GMT 3 Dec 79 LD

[Text] Marshal of the Soviet Union Dmitriy Ustinov, member of the CPSU Central Committee Politburo and USSR minister of defense, left Moscow for Warsaw today to participate in a regular meeting of the Defense Ministers Committee of the Warsaw Pact member-states.

Comrade Ustinov was seen off at the airport by Tikhonov, member of the CPSU Central Committee Politburo and first deputy chairman of the USSR Council of Ministers; Army General Yepishev, head of the Main Political Directorate of the Soviet Army and Navy; and other officials.

GROMYKO LEAVES FOR WARSAW PACT FOREIGN MINISTERS MEETING

LD041010 Moscow Domestic Service in Russian 0830 GMT 4 Dec 79 LD

[Text] Andrey Gromyko, member of the CPSU Central Committee Politburo and the USSR minister of foreign affairs, left here for Berlin today to attend the meeting of the Foreign Ministers' Committee of the Warsaw Pact member-countries.

Andropov, member of the CPSU Central Committee Politburo, and other officials saw him off at the airport. Harry Ott, the GDR's ambassador to the Soviet Union, was among those who saw him off.

CEMA, EEC DELEGATIONS RESUME TALKS IN MOSCOW

LD282218 Moscow TASS in English 1518 GMT 28 Nov 79 LD

[Text] Moscow, November 28, TASS--A delegation of the CMEA and CMEA member-countries, led by Nikolay Fadeyev, secretary of the council, and a delegation of European Communities led by Wilhelm Haferkamp, vice-president of the Commission of European Communities, resumed talks here (from November 26 to 28) on questions relating to the drafting of an agreement.

The delegations exchanged opinions on amended draft agreements which were submitted earlier by the CMEA and the EEC, and had a preliminary exchange of opinions on a new draft agreement which was suggested by the EEC during the meeting.

The two delegations are to inform their component organs on the progress of the talks. It was agreed to hold in Brussels, not later than April 1980, a new meeting of the delegations at the same level and to call previously an editing group of experts in February-March, 1980.

The talks took place in a businesslike and frank atmosphere.

Maksimov Commentary

LD031924 Moscow TASS in English 1637 GMT 3 Dec 79 LD

[Text] Moscow, December 3, TASS--TASS commentator Yuriy Maksimov writes:

Countries of the Council for Mutual Economic Assistance are making tireless efforts to carry out the provisions of the Helsinki Final Act. The purpose of these efforts is to create in the European Continent an atmosphere of mutual trust, to ensure the peaceful coexistence of states with different social systems.

This is evidenced, in particular, by the initiative of socialist countries early in the 1970's to conduct talks on the conclusion of a multilateral agreement setting the framework for cooperation between the CMEA and CMEA member-countries, on the one hand, and the EEC and EEC member-countries, on the other hand. This agreement is called upon to determine the fundamentals of mutual relations between the two economic groupings, to put on record the main questions of developing equal and mutually advantageous trade and economic relations between member-countries of these two associations.

It is beyond doubt that bilateral cooperation would become deeper and more diverse if it were supplemented by multilateral cooperation. The draft agreement submitted by the CMEA concludes provisions on the application of traditional principles of trade, such, for instance, as most-favoured-nation treatment and absence of discrimination.

Representatives of the CMEA and the EEC have already met a number of times to discuss questions connected with the drafting of the agreement. The latest such exchange of views took place in Moscow on November 26-28. Delegations of the two economic organisations exchanged views on the draft agreements submitted earlier by the CMEA and the EEC and the Draft agreement that was proposed by representatives of the "nine" on November 26.

In the course of the Moscow round of talks the delegations of the CMEA and the EEC decided to continue to study of the questions facing them. For this purpose an editorial group of experts will be convened in February-March 1980, while a new round of talks will be held in Brussels in April of that year.

It cannot be said that the questions of settling mutual relations facing the CMEA and the EEC belong to the category of easily solvable ones. But no matter how complex they are, agreement can always be reached if there is good will on both sides.

The need of settling mutual relations between the CMEA and the EEC manifests itself with particular force in the present difficult situation in the world markets. The conclusion of an agreement between the two economic groups would facilitate even broader economic ties of West European countries with the socialist countries, with their vast and stable market.

OIL EXPORTS TO CEMA STATES TO INCREASE 10 PERCENT

LD021822 Moscow World Service in English 1600 GMT 2 Dec 79 LD

[Text] The Soviet Union has stepped up oil supplies to its partners in the Council for Mutual Economic Assistance, in reply to their request. This year's target is an increase of 10 percent which amounts to 80 million tons of oil. That means supplying record amounts of oil to the socialist member states despite the fact that production has been affected by bad weather. On the home front it is planned to make up for this deficit by stepping up the production of natural gas by 9 percent.

SECURITY COUNCIL CONTINUES DEBATE ON U.S.-IRAN CRISIS

LD040956 Moscow Domestic Service in Russian 0800 GMT 4 Dec 79 LD

[Text] The UN Security Council is continuing to discuss relations between the United States and Iran. Relations have become strained as a result of the decision of the United States Government to grant hospitality to the former shah who committed serious crimes against the Iranian people, and also because of the detention of American diplomatic personnel in Tehran.

Speaking at the Security Council meeting, representatives of various countries stressed that the growing threat to peace and security should be eliminated by peaceful means, by talks, on the basis of universally accepted norms of diplomatic practice. The delegates called on the sides in the conflict to display the maximum restraint.

OPEC COUNTRIES SHOULD RECONSIDER 'ORIENTATION' TO WEST

LD301321 Moscow PRAVDA in Russian 23 Nov 79 p 4 LD

[G. Matyukhin article: "Speculation Around 'Petrodollars'"]

[Text] Oil prices continue to rise on the world market. The Western press has not failed to use this fact to stoke the latest anti-Arab campaign in which many of the ailments of capitalism have begun to be attributed by the rise in oil prices.

The rise in oil prices does not, of course, facilitate the struggle against inflation. At the same time we cannot fail to understand the motives of the OPEC countries whose position on the world capitalist market has been growing more complex recently. This is due mainly to two reasons: the devaluation of the dollar and the rise in prices for the goods they import.

In contrast to other commodities, the purchase and sale of oil are conducted only with dollars. Therefore the fall in the purchasing power of the dollar as a result of constant inflation sharply reduces the OPEC countries' real incomes and accumulations.

The overall reduction in oil sales on the world market also has an adverse effect on the position of the oil-producing countries. The Wester press presents this fact as though it were not the industrially developed capitalist countries which had reduced oil purchases but the OPEC countries which had reduced oil extraction.

Of course, when oil extraction drops, this cannot fail to disorganize somewhat the prevailing commodity efforts [popytki--perhaps misprint for potoki (flows)]. However, this takes place most frequently as a result of particular events in individual OPEC countries. Therefore, if we consider recent years a reduction of oil extraction occurred only in early 1977 in connection with the well-known internal changes in Iran. But in the middle of the year, if we consider all the OPEC countries as a whole, its normal level had been restored.

At the same time, as a result of the crisis phemomena in the capitalist economy and the implementation of energy saving programs and the replacement of oil with other energy sources, the demand for liquid fuel had dropped markedly. At the Tokyo conference (in June 1979) the leaders of the seven leading capitalist countries agreed on a further reduction in oil consumption and imports.

For instance, it is proposed to freeze oil imports for the EEC countries at the 1978 level for the next 5 years. As a result, although the demand for oil remains high, it is not the sellers but the buyers now who are increasingly frequently setting their own terms on the market.

The OPEC countries are extremely heterogenous both in terms of their economic development levels and their export potential. Those which have the greatest potential to export oil (for instance Saudi Arabia, Kuwait and the United Arab Emirates) are economically least prepared for utilizing the funds they acquire for the intensive development of the national economy. Their infrastructure is still too poorly developed for this, and they do not have the necessary managerial cadres and do not have enough skilled manpower. On the other hand, the countries with the least export potential are better prepared for investing capital in their economies. Therefore in the former countries oil revenue turns into petrodollar "surpluses" while the latter are short of this revenue and are obliged to borrow funds abroad. For instance, in the first 6 months of 1978 alone Algeria and Venezuela borrowed about $5 billion worth of capital on the international market while the total sum of these oil exporting countries' foreign money liabilities had reached $44.1 billion by the middle of this year.

The problem of the "surpluses" forming in some oil extracting countries is used by imperialist propaganda to justify the policy of economic plunder and diktat with respect to the developing countries. In fact the overwhelming proportion of "surpluses" return to the Western states' banks in the form of deposits or investments in securities. Thus, of the total "surpluses" received in 1977 ($33.8 billion), $9.2 billion were transferred to the United States, $4.1 billion to Britain, and $3.1 billion were presented to the developing countries. The remaining funds were placed in short-term deposit accounts in the international "Eurodollar" market where the same banks of the capitalist states rule. In fact these countries lose control over their investments. That is what happened with Iran when, in response to Tehran's attempt to withdraw its deposits in U.S. banks, Washington attached them. The Kuwaiti Government, which also has billions of dollars in U.S. banks or in U.S. Government securities, criticized this measure as "an extremely dangerous precedent" which, it said, has given rise to "serious concern for the future of international financial relations, subjecting the world economy to unforseen dangers."

In the prevailing situation economists, statesmen and politicians of the countries holding dollar surpluses are increasingly frequently beginning to think about the expediency of their one-sided orientation toward the capitalist West. There is a growing realization among them of the fact that their peoples' future lies in the development of broad, equitable and mutually advantageous cooperation with all states, irrespective of their socioeconomic and political systems.

CARTER GRANTS SHAH TEMPORARY ASYLUM; KENNEDY CRITICISM

LD031946 Moscow TASS in English 1842 GMT 3 Dec 79 LD

[Text] Washington, December 3, TASS--The New York TIMES says concerning the transfer of the former Iranian shah, from New York to a military hospital in Texas that President J. Carter has granted the shah temporary asylum in the air force hospital in San Antonio and left open the possibility of granting him permanent asylum if no other suitable place is found for him abroad.

For his part, an official State Department spokesman again stated categorically that the United States would "never" extradite the shah of Iran.

San Francisco, December 3, TASS--Prominent American Senator E. Kennedy sharply criticized Washington's position with regard to the former shah of Iran. He stressed that the shah headed one of the most cruel regimes in history, a regime, which at crucial moments resorted to terror against its own people and violated human rights. There is no excuse for the United States to receive a person who has come here and who is willing to stay here with countless billions of dollars stolen from Iran.

Paris, December 3, TASS--It is stressed in well-informed circles that the U.S. administration was fully aware of what a stormy reaction the arrival of the former Iranian shah in New York might cause and, moreover, foresaw beforehand the seizure of the American Embassy and of its staff.

As has been learned after the visit to France by a delegation of the Islamic Revolutionary Council it has been established documentarily that official Washington disregarded even the opinion of its embassy in Tehran which warned against possible consequences of the shah's arrival in the USA. The documents found by Iranian students show that the embassy's leading officials pointed to the danger that the Iranians' anger with U.S. policy in respect of the shah might lead to the seizure of hostages.

Thus it is becoming clear that the U.S. administration, yielding to pressure from the shah-bribed lobby, was willing to take chances. Not the least part in this operation was played by former U.S. Secretary of State H. Kissinger who specially went to Mexico to meet the shah.

PRAVDA REPORTS CARTER PRESS CONFERENCE ON IRAN

LD031625 Moscow PRAVDA in Russian 30 Nov 79 p 5 LD

[TASS Report: U.S. President's Press Conference]

[Text] Washington, 29 November--U.S. President J. Carter has made a statement at a press conference on U.S.-Iranian relations. He has expressed concern at the fact that a group of U.S. citizens are in the U.S. Embassy in Tehran as hostages. "We will not rest or cease our efforts until all the Americans are released," the President said. "We believe that the Iranian Government is fully responsible for their welfare and safe return."

Touching on the demands Iran has made of the United States, the main one being the extradition of the former shah, the President said that they "will be interpreted as empty words" until all the captured Americans are released. The Iranian Government must "recognize the full seriousness of the situation" and "consider the serious consequences which would arise if harm is caused to any of the hostages."

J. Carter was asked how he intends to seek to overcome the present crisis in U.S.-Iranian relations. In reply the President said: "For my part it would not be expedient to discuss in public all possible alternatives open to our country." I am fully determined, he continued, to insure the hostages' safety and release through diplomatic channels and with the aid of peaceful means. But the United States "also has other alternatives for actions which will be examined depending on circumstances." J. Carter said that he personally took the decision to allow the former shah to enter the United States and that he "does not intend to make any apologies."

COMMENTARY ON TREASURY SECRETARY MILLER'S MIDEAST VISIT

LD031535 Moscow PRAVDA in Russian 30 Nov 79 p 5 LD

[Yuriy Glukhov "Commentator's Column": "Justified Concern"]

[Text] U.S. Treasury Secretary William Miller has hurriedly visited the Near East. Saudi Arabia, Kuwait, the United Arab Emirates--these are countries where the American emissary had to use all his eloquence to try to whitewash the American administration's recent economic sanctions in the eyes of the Arab states which are oil "donors" to the United States. It is a question of freezing Iranian capital invested with U.S. banks and stopping Iranian oil imports.

Washington's actions have seriously alarmed the Arab oil-producing states. The point is that, according to Western figures, the OPEC countries have accumulated the vast sum of $185 billion in foreign banks over the past 6 years. It is assumed that this sum will total $230 billion by the end of this year. The seven largest Near East oil exporters alone have foreign assets to the tune of approximately $150 billion.

America's actions have shown how vulnerable the economy of the oil-exporting countries is, which is one-sidedly tied to the United States, and how dependent it is on a particular political situation.

The overwhelming majority of Arab states, including Saudi Arabia, Kuwait and other countries--and this was reaffirmed by the recent inter-Arab summit conference in Tunis--condemn the Camp David agreements prepared by the United States and the separate Egyptian-Israeli deal. The Arab countries fear--and clearly not without justification--that in its attempts to pressure them Washington could employ the same means as are now being used against Iran.

This is why Washington's economic measures have aroused a stormy reaction in the Arab world. They have been evaluated everywhere as a dangerous precedent. Therefore, the purpose of W. Miller's trip was precisely to lessen anti-American feeling and secure U.S. oil interests.

As is known, the Arab states are formulating countermeasures. By decision of the Tunis conference a new inter-Arab summit meeting will be held. It will examine the question of using natural resources as a lever in the struggle against Israeli aggression and imperialist pressure. The Arab states are preparing to rebuff imperialism's new intrigues by placing their economic potential at the service of national interests.

KRASNAYA ZVEZDA COMMENTS ON MILITARY PREPARATION IN MIDEAST

LD031617 Moscow KRASNAYA ZVEZDA in Russian 2 Dec 79 p 3 LD

[Reserve Capt 1st Class V. Pustov military-political review: "Gunboat Policy in a New Guise"]

[Text] The Washington POST wrote the other day that the U.S. administration has toughened its position giving to understand that the United States could use armed forces against Iran. The situation which has arisen has been discussed for several weeks by the foreign press and, naturally, is evoking concern and resolute protests among the peoples and governments of countries in the Indian Ocean and among the world public.

In fact the buildup in U.S. Armed Forces in the Indian Ocean has acquired a hitherto unprecedented scale. A naval formation comprising the aircraft carrier Midway, the nuclear cruiser Bainbridge, a destroyer and two frigates has arrived in the Arabian Sea off Iran's territorial waters. They were soon joined by the attack aircraft carrier Kitty Hawk, the missile cruiser Jouett, two destroyers and a frigate. Counting the forces already in the Arabian Sea there are about 20 U.S. warships concentrated there now.

According to the New York TIMES, another aircraft carrier, the Forrestal, has left the United States for the Mediterranean, ostensibly "to reinforce U.S. naval strength in the Near and Middle East." Taking into account the fact that there are already another two aircraft carriers in the Mediterranean, the Independence and the Nimitz, and that Midway and the Kitty Hawk are in the Arabian Sea, the newspaper writes, almost one-third of the entire fleet of U.S. attack carriers will thus be occupying positions within striking distance of Tehran.

Meanwhile the Pentagon is drawing up various alternatives for the use of force to resolve the crisis which has arisen in U.S.-Iranian relations. Against what targets in Iran, with what and how to strike are the questions discussed by the U.S. mass media, which cite statements by anonymous Defense Department officials, congressmen and official government spokesmen. To "attack Iran" they propose bombing Tehran, the Shi'ite Muslim holy city of Qom, where the Ayatollah Khomeyni's residence is located, the oilfields, the Island of Kharq in the Persian Gulf, where the main port for Iranian oil shipment is situated, and the country's main transport system. They are also examining the possibility of establishing a naval blockade against Iran and the landing of parachute troops to seize the capital's airport followed by the landing of tank and marine units consisting of up to 20,000 men for "operations against Tehran."

However, if U.S. press reports are to be believed, the U.S. administration has not yet chosen any of these alternatives. This is accounted for by difficulties of either a military or a political nature or more requently by both types of difficulty. For instance, attacks against the oil fields or the Island of Kharq could bring Washington undesirable complications in its relations with the NATO allies and Japan, in whose power industries Iranian oil occupies a very substantial place. The growing anti-American feeling not only in Iran but also in other countries in that region also must not be overlooked. As the Paris newspaper LE MONDE notes, "The conflict between Tehran and Washington will evoke an increasingly profound response in neighboring countries where covert anti-Americanism can openly manifest itself."

Nevertheless the preparations for military invasion are proceeding at full pace. The enormous propaganda machine has been deployed to fan an anti-Iranian campaign. The New York TIMES reported recently that officials "have begun to encourage conjecture on the possibility of force being used." Thus encouraged, bourgeois propaganda is showering threats on Iran. At the same time attempts are being made to play down the combat readiness of the Iranian Army, particularly on the grounds that its U.S.-manufactured weapons, whose delivery was deliberately halted by the U.S. administration, have no spare parts. The propaganda ballyhoo has the dual purpose of portraying a possible invasion of Iran as just a light military outing to the Americans who have not forgotten the lessons of Vietnam and also of making it easier for the administration to decide on such an invasion.

The Israeli leaders, who are acting as instigators, are pouring oil on the flames. Former Foreign Minister Dayan stated that if the United States decided to use its forces against Iran it could count on the military airfields in the Sinai. Prime Minister Begin went even further and informed the White House of Israel's readiness to participate in a joint operation.

So the use of military, political, propaganda and other means is creating an explosive situation. However, it would be wrong to believe that it is only Iran's security that is in jeopardy. Washington activated military preparations long before the present sharp exacerbation of American-Iranian relations and the preparations embrace a region more extensive than the Arabian Sea which Brzezinski called the "arc of instability" incorporating primarily the oil-producing Arab countries as well as Iran. For several years the Pentagon has been nurturing plans for the armed capture of the oilfields.

The implementation of the adventurous enterprise is not being abandoned even now. It is for this purpose that the 110,000-strong "quick reaction corps" is being set up, preparations are being made to create a sixth fleet in the Indian Ocean and the construction of a major naval and air force base on Diego Garcia Island, military airfields in Israel's Negev Desert and so forth is being accelerated. According to U.S. press data, the Pentagon plans to use the military airfields in the Negev Desert and in Sinai (the latter will formally be under Egyptian control) as transfer points for the "quick reaction corps."

Obviously, what we have here is the creation of major interventionist forces and bridgeheads which these forces will be able to use in order to keep the oil-bearing areas of the Near and Middle East in the "cross hairs of the gunsight," to hinder the development of national liberation movements in the countries of the area and to be ready for armed interference in their internal affairs to impose on them regimes and systems which suit the United States. Irrespective of the solution of the Iranian problem, the New York TIMES stresses, Washington is preparing for upheavals in this area. In other words, irrespective of the outcome of the present crisis in American-Iranian relations Washington is attempting to use it as "grounds" for strengthening, for the future, its military presence on such a wide scale in the Near and Middle East and in the waters that lap its shores.

In the name of the defense of its notorious "national interests" which it sees as being threatened by any progressive transformations in countries which fall within the "arc of instability," Washington is also trying to patch up its global bloc system which is showing cracks.

Following the revolution in Iran and the subsequent collapse of the CENTO bloc an attempt was made to knock together another military alliance under U.S. aegis--with the participation of Israel, As-Sadat Egypt and also Arab countries with conservative regimes. But nothing came of it. The Persian Gulf states' capitals were quick to latch on to the anti-Arab nature of the new militarist undertaking which consists in defending the predatory interests of U.S. oil and other monopolies on the false pretext of "defending" this region against the imaginary "Soviet threat."

Another failure was the plan recently proposed by the Sultan of Oman on the creation of a new military pact involving the United States, Britain, the FRG and the Persian Gulf countries. It was noted in Arab public circles that on the prompting from Washington the Gulf states were told essentially to agree to the voluntary occupation of their territories by the armed forces of the United States and other NATO countries.

So the conning maneuvers of Washington and its myrmidons are encountering an increasingly determined rebuff. So far there has been no success in finding in the Persian Gulf zone candidates for the unenviable role of gendarme prepared to pull the chestnuts out of the fire for the transatlantic master in return for dollars. Under these conditions the Pentagon deems it necessary to rely first and foremost on its own military might and concentrate its armed forces in key parts of the world, for example, in the Arabian Sea, as is the case today.

There is yet another factor guiding Washington in its activation of military preparations. The defeat of the American aggressors in Vietnam dealt a considerable blow to U.S. prestige and caused million of Americans to exhibit the so-called "post-Vietnam syndrome of noninterference abroad." The collapse of the shah's regime in Iran, which acted as an American gendarme in the Persian Gulf, undermined U.S. imperialism's positions in the Near and Middle East. The overthrow of pro-American dictatorial regimes in Nicaragua and other countries also contributed to the decline in U.S. prestige.

To halt or at least inhibit this process, to consolidate its strategic positions in the world's hotspots, to recover its former potential for dictating to the developing countries and peoples and, as in the past, to plunder their natural resources at will--these are the main aims of the creation of "grounds" for U.S. armed interference both in the Persian Gulf zone and in other parts of the world.

This is no way of solving international disputes today. "A relapse of the imperialist 'gunboat policy'," Comrade L.I. Brezhnev said, "can only lead to the appearance of new dangerous hotbeds of tension and exacerbation in the international situation. Constant vigilance is needed on the part of the peoples in order to prevent such a dangerous development of events.

BIRYUKOV CRITICIZES U.S. PRAISE FOR NEGEV, SINAI PROJECTS

LD302132 Moscow Domestic Service in Russian 1930 GMT 30 Nov 79 LD

[Vadim Biryukov commentary]

[Text] U.S. Secretary of Agriculture Bergland, who recently visited Egypt and Israel, gave a press conference in Washington at which he praised in the most extravagent terms the project to irrigate the Negev Desert in Israel and desert lands in the Sinai Peninsula.

The waters of the Nile, the American minister declared, will work a miracle and turn the desert into a flowering garden. Bergland did not fail to announce at the same time that Israel will build new militarized settlements on the lands reclaimed from the desert. All this, the minister emphasized, will become possible thanks to the Camp David agreements.

So the United States has evidently once again found a pretext for lauding the anti-Arab Camp David plot--the writer on international affairs, Vadim Biryukov notes. But if we put aside the window dressing, it would seem that, behind the peaceful project lurks a hidden design of Washington, godfather of the deal at Camp David. Let us recall that the Pentagon has already begun building two air bases in the Negev and intends to use them as a transshipment point for the so-called quick reaction force. This corps, as one knows, has been set up by the United States for direct intervention in the affairs of the countries of the Near East. So there we have it: In place of the desert there will arise the flowering garden promised by Bergland; and instead of palms, there will be ack-ack guns and missiles. Instead of peaceful towns, row upon row of identical barracks of the Israel militarized settlements will go up. Instead of the promised fertile lands and pastures, there will be the runways of the military air bases from which, on orders from the Pentagon, American combat aircraft will take off. That is the essence of the project publicized by the American minister--which they are trying to conceal behind fine words about the supposedly purely peaceful nature of the new enterprise of Washington and its Camp David partners.

INCREASE NOTED IN ARMS SALES ABROAD

LD302028 Moscow TASS in English 1855 GMT 30 Nov 79 LD

[Text] Washington, November 30, TASS--The United States is increasing supplies of armaments to foreign countries. According to the knowledgeable weekly U.S. NEWS & WORLD REPORT, last year's supplies of U.S. weapons abroad and orders for construction of military facilities in other countries achieved a record sum of 13.5 billion dollars, although previously, in February 1978, the White House had announced that such sales would amount to 8.6 billion dollars. In the opinion of military specialists, in 1980 it will reach a new high, surpassing the 14 billion dollars mark.

These data testify to the fact that the current administration has consigned to oblivion its electoral promises to effect a substantial cut in "lethal exports". The newspaper CHRISTIAN SCIENCE MONITOR says in this connection that after these electoral assurances the volume of sales of U.S. arms has practically increased to all areas of the world.

Pentagon's clients include, as before, the regimes liked by the United States, which want U.S. arms for suppressing national liberation movements.

The sphere of constant U.S. concern includes the Middle East where special preferences have been granted to Israel and Egypt as the chief "defenders" of U.S. military-strategic interests in the area. In the current year the volume of supplies of U.S. arms to Israel will total 2 billion dollars. Next to Israeli militarists in arms purchases is Egypt which is to get from Washington during this year arms worth 1.5 billion dollars. Major consignments of arms are also dispatched to Saudi Arabia and Morocco.

Weapons "made in USA" continue to arrive in an uninterrupted flow to Thailand (410 million dollars) in Taiwan (510 million dollars) and South Korea (289 million dollars).

In Latin America, U.S. administration has appropriated millions of dollars to ensure supplies of arms to the military dictatorships of Honduras and Guatemala.

LOCKHEED WINS PENTAGON CONTRACT FOR NEW 'SPY' PLANES

LD302122 Moscow TASS in English 2041 GMT 30 Nov 79 LD

["Supplier of 'Flying Spies'"--TASS headline]

[Text] New York, November 30, TASS--The large aircraft company of the United States, Lockheed, has secured a new order from the Pentagon for the manufacture of two perfected models of the U-2 spy plane.

As was reported by the AP NEWS AGENCY today, last Thursday the Lockheed administration announced the conclusion of a contract with the U.S. Defense Department worth 42.4 million dollars.

In accordance with the contract, the company is to build two TR-1 one-seater reconnaissance planes for the U.S. Airforce and one ER-2 research plane for NASA. Both planes are modernized versions of the old model of the U-2 spy plane which was also designed by Lockheed.

The U-2 "flying spy" attracted attention to itself of the world public in 1960 when it was shot down by a Soviet missile on violating the USSR's air space.

The Lockheed company, a big supplier of spy planes for the Pentagon, is itself notoriously known. Noisy scandals flared up in the recent years in that or other Western country, scandals linked with corruption and bribery by Lockheed officials of political leaders and statesmen abroad in order to receive profitable orders and to market the company's products.

Not only the giant American aircraft company Lockheed bogs down in corruption. In the past three odd years more than 300 large corporations of the United States were caught in bribery and other machinations. The total sum of briberies paid by these corporations exceeded several hundred million dollars.

'Special Transport Plane' Design

LD302216 Moscow TASS in English 2125 GMT 30 Nov 79 LD

["Transport for Rapid Reaction Strike Force"--TASS headline]

[Text] Moscow, November 30, TASS--TASS commentator Vadim Biryukov writes:

The Lockheed Corporation does not conceal its satisfaction with the decision of the U.S. Government to recommend to the Congress a five-year programme of a sharp build up of military expenditures. A major part of the means to be allocated will be used to speed up the formation of the so-called rapid reaction strike corps.

Lockheed representative Evert Hayes boastfully admitted that his company is already working over the design of a special transport plane and that endorsement in Congress of the new military budget will "literally double" the allocations for the contract, 11,000 people already working at it at plants in Marietta.

Evert Hayes also said that the point in question is modification of the C-5 plane, as a result of which created will be an air giant with a bigger carrying capacity and a greater radius of action.

A campaign is under way in the American press around designing air super-transport planes, capable of delivering to "hot points" of the globe tanks, armoured carriers and even light missile units. The aim of this campaign is to blackmail the countries in those areas to where the American military threatens to airlift its punitive troops, to create greater tension there. It is natural that the threat to peace will be still greater if such planes are made operational.

According to the newspaper Washington POST, for the construction of such planes the administration included into the federal budget estimates for 1981 fiscal year 80 million dollars. Allocation for transport facilities for the rapid reaction strike force, according to the American press, will sharply increase in the subsequent years.

It is to be recalled that such rapid reaction strike force plans were declined by the U.S. Senate 10 years ago when the Senate Armed Services Committee "buried" the similar idea advanced by the then U.S. Defence Secretary Robert McNamara as capable of creating the impression that the United States assumes the functions of an international policeman.

The facts, linked with formation of the "punitive corps" and its provision with transport facilities show that aggressiveness of American imperialism grows as time runs, and its actions are a great threat to developing countries.

SUPREME SOVIET DELEGATION LEAVES FOR MOSCOW FROM VISIT

LD031551 Moscow IZVESTIYA in Russian 25 Nov 79 Morning Edition p 5 LD

[TASS reports under the general headline: "Return to Moscow"]

[Text] New York, TASS--Having completed 10-day visit to the United States, the USSR Supreme Soviet delegation headed by S.F. dunov, member of the USSR Supreme Soviet Soviet of the Union Legislative Proposals Commission and first secretary of the Krasnodarskiy Kraykom, has left for home. It was here at the invitation of the U.S. House of Representatives. The delegation comprised USSR Supreme Soviet deputies V.S. Alkhimov, V.L. Kudryavtsev, V.K. Starovoytov and B.I. Stukalin.

The delegation had a number of official and businesslike meetings with the leadership and members of the U.S. Congress in Washington and with prominent representatives of American business circles and visited the cities of St. Louis, Denver and New York. The delegation members visited the enterprises of a number of American companies, grain farms and Colorado State University.

The delegation was seen off at the airfield by representatives of the U.S. Congress and other officials.

TASS--The delegation returned to Moscow the same day. It was met at the airfield by V.P. Ruben, chairman of the USSR Supreme Soviet Soviet of Nationalities; USSR Supreme Soviet deputy P.P. Anisimov; and executives of the USSR Supreme Soviet Presidium and USSR Foreign Ministry.

M. Harrison, U.S. charge d'affaires ad interim in the USSR, was among the welcoming party.

IRAN REPORTEDLY TO SEND REPRESENTATIVE TO UN

LD031620 Moscow World Service in English 1500 GMT 3 Dec 79 LD

[Text] Iran is reported by foreign news agencies to be planning to send a representative with limited powers to the United Nations. The Iranian foreign minister, Qotbzadeh, said the representative would not participate in the meetings of the Security Council which is considering the American-Iranian crisis. A meeting of the council is scheduled for 9 o'clock this evening Greenwich Mean Time. During its last debate many delegates said that the mounting tension in American-Iranian relations was creating a threat to world peace and security. In the face of the United States war preparations the Iranian authorities are fortifying the country's defenses. Tehran Radio reports that a people's army is being formed.

Meanwhile the ASSOCIATED PRESS reports that the Tehran students regard the transfer of the ousted shah from New York to an air force base in Texas as yet another attempt by the Central Intelligence Agency to protect the deposed monarch. The same agency quotes Senator Edward Kennedy as having said that it is in the interests of the United States to have good relations with the Iranian people rather than with an individual.

FURTHER REPORTAGE ON IRANIAN SITUATION

'Headquarters of National Mobilization'

LD031619 Moscow TASS in English 1559 GMT 3 Dec 79 LD

[Text] Tehran, December 3, TASS--The Islamic Revolutionary Council of Iran announced the setting up of 'headquarters of national mobilisation', Tehran Radio reports. The headquarters consist of representatives of the armed forces, the corps of the 'Guards of the Islamic Revolution', and ministries. Earlier, Ayatollah Khomeyni is known to have called on the Iranian people to mobilise all military and economic resources of Iran with a view to giving a rebuff to a possible military interference on the part of the USA.

Beirut, December 3, TASS--Iran is demanding the extradition of the shah without any connection with the problem of the hostages, Ayatollah Beheshti, secretary of the Islamic Revolutionary Council of Iran, said in an interview with the Saudi newspaper AL-SHARQ AL-AUSAT. The shah is to be tried by the supreme Iranian court and is to answer for his numerous crimes as a result of which thousands of Iranians had lost their lives. He had for long plundered the people's riches and promoted their leakage abroad, and personally bears responsibility for that. The Iranian people are not afraid of threats, and no economic or military sanctions will be able to intimidate them, Beheshti emphasized.

Dollar To Be Replaced

LD031748 Moscow TASS in English 1735 GMT 3 Dec 79 LD

[Text] Paris, December 3, TASS--Iran will replace the U.S. dollar by the end of this year by currencies of other countries as payment for its oil, Ali Reza Nobari, director of the Central Bank of Iran said in an interview with an AGENCE FRANCE-PRESSE correspondent.

Iran will also demand at the forthcoming session of the Organisation of Petroleum Exporting Countries that other states, members of the organisation, abandon the dollar as payment unit. Nobari said that Iran can no longer accept the international monetary system based on such unstable currency as the dollar.

## Denial of Terrorist Preparations

LD032158 Moscow World Service in English 2100 GMT 3 Dec 79 LD

[Text] In Iran the Islamic Revolutionary Council has announced the establishment of a national mobilization headquarters. Its purpose according to reports from Tehran, is to mobilize all the resources of the country to resist possible American military intervention. At the same time the Iranian Foreign Ministry has denied rumors that what are described as Iranian elements are preparing acts of terrorism in the United States. Their denial is contained in a letter to the UN secretary general which has been circulated as an official Security Council document.

While the council is discussing ways of settling the dispute peacefully the United States has been concentrating naval forces off the shores of Iran. According to press reports there are now 21 U.S. naval vessels there. The New York TIMES says that they include aircraft carriers with a total of some 350 aircraft on board.

## Israeli Assistance Possible

LD031330 Moscow TASS in English 1235 GMT 3 Dec 79 LD

["Dangerous Statements"--TASS headline]

[Text] Washington, December 3, TASS--Being true to its "special relations" with the United States, Israel is prepared to support any actions of the United States that pose a threat to peace. Speaking on television on Sunday, the leader of Israel's Zionist opposition Labour Party Shimon Peres said that Tel Aviv would positively respond to any request of the United States should the latter resort to military actions against Iran. He did not rule out the possibility of granting to the United States for these purposes the use of Israeli Air Force bases. A similar statement was made at the end of last week also by the former Israeli Foreign Minister Moshe Dayan.

The incendiary stand taken by high-placed Israelis cannot but cause the serious alarm of the world public for the destinies of peace and security in the Near and Middle East. This stand sharply contrasts with the position taken by the overwhelming majority of the world countries, that are coming out for a settlement of the American-Iranian conflict by way of talks and resolutely condemn the escalation of U.S. military preparations in the Persian Gulf area.

## MAIN EVENTS, ISSUES IN U.S.-IRANIAN CRISIS REVIEWED

LD031431 Moscow LITERATURNAYA GAZETA in Russian 28 Nov 79 p 9 LD

[I. Belyayev "Dossier": "Iran-United States: Chronicle of Events"--capitalized passages published in boldface]

[Text] THE U.S.-IRANIAN CRISIS WHICH BEGAN ON 4 NOVEMBER AFTER THE SEIZURE OF THE U.S. EMBASSY IN TEHRAN BY IRANIAN STUDENTS IS IN ITS FOURTH WEEK NOW. EVERYONE IS WELL AWARE THAT THE SOVIET UNION ADVOCATES THE IMPLEMENTATION OF THE RELEVANT INTERNATIONAL CONVENTION ON RESPECTING THE DIPLOMATIC IMMUNITY OF RELEVANT REPRESENTATIVES OF STATES. AT THE SAME TIME, IT IS PERFECTLY OBVIOUS THAT SOVIET PEOPLE VOICE THE HOPE THAT A SOLUTION TO THIS QUESTION WILL BE FOUND TO THE SIDES' MUTUAL SATISFACTION. BUT IT IS VERY IMPORTANT THAT THE SIDES, INCLUDING THE UNITED STAES, SHOULD DISPLAY RESTRAINT AND COOLHEADEDNESS AND NOT ALLOW THEIR EMOTIONS TO BRIM OVER. THE FACTS WE MENTION TODAY ATTEST THAT IT IS A CASE OF A BROADER RANGE OF ISSUES THAN THE SEIZURE OF THE EMBASSY ALONE.

On 30 October (5 days before the start of the crisis) the Iranian Foreign Ministry sent a note to the U.S. Government demanding the extradition of the shah to the Iranian authorities and the confiscation of the property of the shah and his family. If the U.S. authorities respected the feelings of the Iranian people and understood the depth of the Iranian revolution, the Iranian Foreign Ministry statement said, they should at least refuse to receive the shah on their territory and hand over his property to Iran.

WASHINGTON DISREGARDED THIS DIPLOMATIC DEMARCHE OF IRAN'S.....

7 November. After the seizure of the U.S. Embassy by Iranian students, a broad anti-Iranian campaign began in the United States. The United States, Joseph Kraft wrote in the Washington POST, should close its embassy in Tehran and the Iranian Embassy in Washington. Thousands of Iranian students...should be expelled from the United States.

8 November. The New York DAILY NEWS published an article by J. Wieghart. In particular it noted that: "We have 300,000 soldiers in Europe and we also have the aircraft to transport tens of thousands of these soldiers to Iran. We have 18 ships in the Indian Ocean and Persian Gulf region, including a detachment of 8 ships headed by the aircraft carrier Midway. We have the 82d Airborne Division in Fort Bragg which can be transferred very rapidly and we also have the Mediterranean fleet which can rapidly be deployed within the limits of Iran's vulnerability to air attack."

So as early as the fourth day after the start of the crisis, the United States had begun to speak of military action against Iran....

THE U.S.-IRANIAN CRISIS ALSO HAD A "SECOND BACKGROUND" SO TO SPEAK, A VERY IMPORTANT ONE FOR UNDERSTANDING THE EVENTS, OF WHICH IRAN'S POLITICIANS SOON BEGAN TO SPEAK.

10 November. Iranian television showed a film exposing the espionage activity of the U.S. Embassy in Tehran. Television viewers saw stationary and mobile radio stations, bugging devices, cryptographic facilities, a special antennae for communications with satellites, strategic maps of individual regions of Iran, weapons, ammunition and many city license plates [gorodskiye nomera] for automobiles used to carry out espionage assignments in Iran. The embassy maintained liaison with U.S. fleets and aircraft.

It has also become known that, in allowing the shah into the United States, the U.S. administration hoped that Bazargan's government would not allow any complications in Iranian-U.S. relations. Bazargan's enforced resignation spoiled the U.S. game in Iran.

11 November. The main reason for recent events in Iran, which led in particular to the resignation of Bazargan's government, is that a group of this government's ministers had in recent months prepared a plan to seize total power in the country in order to subordinate the Islamic revolution to U.S. policy, Jallaleddin Farsi, member of the Iranian party of the Islamic Republic Central Committee, told the Beirut newspaper AS-SAFIR. This group, he said, included former Deputy Prime Minister Abbas Amir Entezam and Foreign Minister Yazdi and Sahabi, leader of the planning and budget organization.

13 November. Sadeq Qotbzadeh, member of the Islamic Revolutionary Council, speaking at a press conference in Tehran, stated that the crisis caused by the hostages in the U.S. Embassy can be settled even without the shah's immediate return. He left no doubts that talks on the release of the hostages could be initiated immediately if the United States were to state publicly that the shah is a criminal and agree to the creation of an international group to investigate his crimes.

WASHINGTON "FAILED TO NOTICE" THIS STATEMENT.

14 November. Commenting on events in Iran, the Kuwaiti newspaper AL-WATAN drew attention to the concentration of a considerable quantity of U.S. and British ships in the region of the Arabian Sea.

U.S. Congressman J. Rousselot called for a military operation against Iran to "save the hostages." "This is a risky operation but I believe we would be able to find an opportunity to get in there under cover of night."

18 November. Speaking on the CBS program "Face the Nation," Ali Aqa, Iranian charge d'affaires ad interim to the United States, said that the seizure of the embassy should not be regarded as an isolated phenomenon divorced from its historical context. According to him the past 27 years in the country's history have been characterized by terror, torture and political and economic repression. Ali Aqa pointed out that a well-organized campaign is underway in the United States in defense of the shah's stay in the United States. He said that Senators Jackson and Goldwater and former President Nixon had joined this campaign. The Iranian diplomat noted that the former shah, in the United States and possessing enormous wealth and having the support of influential people, can undertake effective actions against the Iranian revolution.

22 November. The French press stressed that the U.S.-Iranian crisis is becoming increasingly widespread. "Considering the political, economic and moral consequences this is undoubtedly the most serious crisis to shake the East since the Israeli-Arab wars," the newspaper LE PARISIEN LIBERE pointed out. "Will the Americans undertake military intervention in Iran? That is the question the whole world is asking."

The New York TIMES wrote: "The United States has warned Iran that the recent U.S. military movements should be taken seriously and that Iran will have to pay if physical harm is caused to the U.S. hostages."

D. Middleton, the same newspaper's military observer, analyzed the possible variations on the use of U.S. Armed Forces to rescue the hostages in Tehran as follows: "The Pentagon is perfectly well aware of the obstacles on the path of a rapid and effective invasion of Iran. It is aware of the possibility that any proposal now under examination could lead to the death of the majority of hostages. The least risky operation is to blockade Iran... with the aide of two aircraft carrier groups."

AND SO THE IMPRESSION IS FORMED THAT THE UNITED STATES IS UNDERTAKING PREPARATIONS FOR MILITARY ACTION. WHETHER IT IS CARRIED OUT, AS CONGRESSMAN ROUSSELOT HAS URGED, "UNDER COVER OF NIGHT," OR IN BROAD DAYLIGHT, THIS ACTION IS EXTRAORDINARILY DANGEROUS TO THE CAUSE OF PEACE AND THE SECURITY OF THE PEOPLES OF THE NEAR EAST AND THE ENTIRE WORLD.

25 November. Congressman G. Hansen (Idaho) visited the hostages still on the grounds of the captured embassy. He told journalists that the hostages are unharmed and in good health. Stipulating he was not empowered to speak on the U.S. Government's behalf, the Congressman said that he intended to suggest to Congress that it investigate the crimes of the former shah.

WESTERN CORPORATIONS, S. AFRICA COOPERATE IN NUCLEAR SPHERE

LD031508 Moscow Domestic Service in Russian 1030 GMT 3 Dec 79 LD

[Text] The trip by the South African foreign minister to Western Europe is being viewed in African countries as yet another step along the road of strengthening ties between the Western imperialist circles and the racist regimes in the south of Africa. Our correspondent in the countries of East Africa, Georgiy Voytsekhovskiy, reports from Dar es Salaam. [Begin Voytsekhovskiy recording]

The leadership of the African National Congress has said that an attempt by monopolistic capital to increase the viability of the regimes in Salisbury and Pretoria is behind this visit. If one turns to the facts, one cannot fail to see that in the past few years a steadfast intensification in the cooperation between Western monopolies and the South African racists has been taking place. Over a period of 9 years, foreign investments in the RSA have almost quadrupled. Several hundred transnational corporations have been actively operating there. These are the U.S. General Motors, the British Imperial Chemical Industries, the West German BMW, Bosch, Siemens and Messerschmitt and also IBM and many more. These gigantic corporations not only get incredible profits in the Republic of South Africa but they also purposefully help the racist regime to set up a military-industrial complex. According to their licenses and technology, the Republic of South Africa produces the most up-to-date types of arms and weaponry: infantry weapons, tanks, armored carriers, naval vessels, missiles and fighter planes. These include the modified U.S. Lockheed plane and the French Mirage capable of carrying missiles, West German and French missiles of the air-to-air and ground-to-air class, and Belgian and Israeli submachine guns and rifles.

The nuclear sphere occupies a special place in the cooperation between the West and the racists. With the assistance of corporations from the United States, Britain, the FRG and France, the Pretoria regime has been given access to nuclear weapons and as a recent test of a nuclear device in the Kalahari Desert demonstrated, the racists have started to create their own nuclear potential.

As is evident, the ties between western monopolies and racist regimes are developing along a growing line and the South African foreign minister's new round of talks in Western Europe is an organic, component part of this process. This is why the African peoples advocate the most resolute measures aimed at stopping the criminal ties between the West and racist regimes. [end recording]

PATRIOTIC FRONT LEADERS BLAME CEASE-FIRE 'CRISIS' ON BRITISH

LD031347 Moscow PRAVDA in Russian 26 Nov 79 p 4 LD

[Report by PRAVDA correspondent A. Serbin and TASS correspondent V. Orlov: "The Zimbabwe People's Just Cause"]

[Text] Dar es Salaam, 25 November--The "frontline" states' leaders have held a one-day conference here. It was convened at the request of the Zimbabwe Patriotic Front leaders. It was attended by Tanzanian President J. Nyerere, Mozambique President S. Machel, Botswana Vice-President Q. Masire and also Patriotic Front cochairmen J. Nkomo and R. Mugabe. The conference discussed questions connected with the course of the London conference on the Rhodesian problem.

Today the front leaders spoke to journalists before returning to London. They noted the importance of the present stage of the talks examining the question of a cease-fire in Zimbabwe. The British side's ultimatum on the adoption of its cease-fire plan has caused a crisis at the talks, they said. It was pointed out that this plan essentially reflects the claims of the Salisbury regime.

The "frontline" states, the Patriotic Front leaders said, have always supported us militarily and politically. These states understand our position.

In reply to journalists' questions J. Nkomo and R. Mugabe exposed Britain's attempts to create the impression that the Patriotic Front does not want an end to hostilities. We want the war to end as soon as possible and we are seeking an agreement on this, J. Nkomo said.

ANGOLAN PRESIDENT THANKS BREZHNEV FOR ANNIVERSARY GREETINGS

LD031511 Moscow PRAVDA in Russian 25 Nov 79 p 1 LD

[Text] To L.I. Brezhnev, chairman of the USSR Supreme Soviet Presidium:

On behalf of the Angolan people, the Central Committee of the Popular Movement for the Liberation of Angola-Labor Party and the Government of the People's Republic of Angola and on my own account I express most sincere gratitude to the USSR people, the CPSU and the Soviet Government for the congratulations sent on celebrating the fourth anniversary of our independence.

I take this opportunity to express the wish that the relations of friendship, solidarity and cooperation which exist between our peoples, parties and governments and which are based on the common struggle will continue strengthening in the name of progress and peace.

With deep fraternal respect,

[Signed] Jose Eduardo dos Santos, chairman of the Popular Movement for the Liberation of Angola-Labor Party and president of the People's Republic of Angola.

IZVESTIYA ON ETHIOPIAN REVOLUTION, SOVIET, CUBAN AID

LD031523 [Editorial Report LD] Moscow IZVESTIYA in Russian on 21 November 1979 morning edition publishes on page 5 A 1,600-word "Ethiopian Reportage" datelined Addis Ababa and Moscow by special correspondents G. Melikyants and Yu. Shtykanov, under the headline "A Country On Its Way," pegged to the first anniversary of the signing of the USSR-Ethiopian friendship and cooperation treaty. After describing the city of Addis Ababa, the authors outline the difficulties which faced the revolution, including economic backwardness and Eritrean separatism, stating that "without Soviet assistance and the assistance of Cuba and other socialist countries, it would have been much more difficult for the people's power." They note some of the changes now taking place and conclude by noting the main spheres of Soviet-Ethiopian cooperation.

BRIEFS

GUINEA, CAPE VERDE DELEGATION--A delegation of the African Party for the Independence of Guinea and Cape Verde Islands spent 5 days in Khersonskaya Oblast, while touring the Soviet Union at the invitation of the CPSU Central Committee to study experience in organization party work. The delegation is headed by (Andre Porfino Telentino), member of the Supreme Council for the Struggle of the Party for the Independence of Guinea and Cape Verde Islands. A conversation was held with Mozgovoy, Khersonskiy obkom first secretary. The delegation met obkom bureau members, representatives of Khersonskiy and Novo-Kakhovskiy gorkoms and studied the work of party organizations in a number of labor collectives. The guests laid flowers at Lenin's monument. [Kiev Domestic Service in Ukrainian 1800 GMT 26 Nov 79 AU]

## NICARAGUAN LEADER LAUDS PROGRESS SINCE THE REVOLUTION

LD031351 Moscow SOTSIALISTICHESKAYA INDUSTRIYA in Russian 25 Nov 79 p 3 LD

[TASS correspondent O. Kolesnikov interview with Moises Hassan, member of the junta of the Nicaraguan Government of National Reconstruction: "People's Determination"]

[Text] Managua--The 4 months which have elapsed since the victory of the revolution have convincingly demonstrated our people's determination to strengthen and develop the process of democratic transformations, Moises Hassan, member of the junta of the Government of National Reconstruction of Nicaragua, has said. In an interview with a TASS correspondent he noted that this period has been marked by the consolidation of revolutionary gains: Questions connected with the creation of the armed forces are being successfully resolved, the state apparatus and local organs of power are being strengthened and the Sandinist trade unions, youth and women's organizations and Committees for the Defense of the Revolution are acquiring increasing authority.

Despite the enormous economic difficulties and slanderous attacks from outside, the Nicaraguan working people support the course of the government and Sandinist National Liberation Front, he continued. After all, it is in their interests that the expropriation of all the property of Somoza and his henchmen has been effected, that the agrarian reform is being implemented, that private ranks and the mining industry have been nationalized and that the positions of the state sector are being strengthened.

Substantial changes are taking place in the life of the Nicaraguans. The construction of housing, schools and hospitals has begun in a number of regions. The industrial enterprises destroyed by Somoza's Air Force are being restored, which will help resolve the acute unemployment problem.

The Government of National Reconstruction has many difficulties, M. Hassan stressed in conclusion. There is still an acute shortage of medical supplies and food in the country and we need machinery and equipment. But we are confident that we will resolve the tasks facing us. The guarantee of success is the Nicaraguans' cohesion around the government and the Sandinist National Liberation Front and the international solidarity with our revolution.

## ETHIOPIAN STUDENTS ARRIVE IN CUBA TO BEGIN STUDIES

LD041024 Moscow TASS in English 0831 GMT 4 Dec 79 LD

[Text] Havana, December 4, TASS--More than 1,200 children from Ethiopia have arrived to the Cuban Youth Island (formerly Pinos) to start studies in the secondary boarding schools built there. Cuba is rendering an active assistance to many states in the field of education. On the youth island alone, more than 10,000 youngsters from Angola, Ethiopia, Nicaragua, Namibia and other countries are studying.

## BRIEFS

CUBAN DELEGATION IN ALMA-ATA--A Cuban delegation headed by Levi Farah Balmasedo, minister chairman of the Cuban State Committee for Construction, arrived in Alma-Ata and on 16 November was received in the Kazakh Council of Ministers. (Katizan), Kazakh Council of Ministers deputy chairman and Gosplan chairman, told the guests about the development of capital construction in the republic. Levi Farah Balmasedo thanked for the cordial reception. The Cuban comrades called at the Kazakh State Committee for Construction and saw places of interest in the city. [Alma-Ata Domestic Service in Russian 1510 GMT 16 Nov 79 AU]

BAYBAKOV SUPREME SOVIET REPORT ON 1980 STATE PLAN

ID040825 Moscow PRAVDA in Russian 29 Nov 79 pp 1-3 ID

[Text of "Report by Deputy N.K. Baybakov, Deputy Chairman of the USSR Council of Ministers and Chairman of USSR Gosplan, on the USSR State Plan for Economic and Social Development in 1980 and the Course of Fulfillment of the USSR State Plan for Economic and Social Development in 1979" delivered at 28 November joint session of USSR Supreme Soviet chambers; capitalized passages published in boldface]

[Text] Esteemed comrade deputies!

The USSR Council of Ministers is submitting for your consideration the draft USSR state plan for economic and social development in 1980--the last year of the 10th 5-Year Plan--which marks an important stage in creating the material and technical base of communism, the draft has been largely approved by the CPSU Central Committee plenum.

The draft of next year's plan has been elaborated with the participation of ministries, departments and union republic councils of ministers on the basis of the socioeconomic tasks of Soviet society's development defined by the decisions of the 25th CPSU Congress and the subsequent party Central Committee plenums and the conclusions contained in the speeches by Comrade L.I. Brezhnev, general secretary of the CPSU Central Committee and chairman of the USSR Supreme Soviet Presidium, on questions of economic and cultural building.

In his speech at the CPSU Central Committee plenum held yesterday Comrade L.I. Brezhnev gave a profound analysis of the Soviet economy's development in the years of the 5-year plan which have elapsed and the urgent problems that will have to be solved in 1980 and subsequent years. Comrade L.I. Brezhnev's instructions equip our party, soviet and economic cadres and all working people with a correct understanding of the tasks facing the country and impart a precise orientation to our activity to further boost the national economy.

Before reporting on the 1980 draft plan, allow me to describe the main indicators of the economy's development this year.

On the Course of the Fulfillment of the USSR State Plan for Economic and Social Development in 1979

Consistent implementation of the CPSU's economic policy, the party's great organizational and political work among the masses and the creative patriotic labor of the working class, the kolkhoz peasantry and the intelligentsia made it possible in 1979 to increase the scale and raise the technical standard of social production and achieve a further upsurge in the people's prosperity. The USSR's positions in the international arena have strengthened and its leading role in the struggle for peace and social progress has increased.

As is well known, the growth of national income is a generalizing indicator of the socialist economy's development. According to preliminary estimates, in 1979 the country's national income used for consumption and accumulation will show an increase of more than R8 billion compared with 1978 and will have increased by more than R58 billion, or 16.2 percent, over the first 4 years of the 5-year plan. Four-fifths of national income is channeled directly toward the people's prosperity.

In industry, whose development plays a key role in the upsurge of all sectors of the national economy, production volume will have increased by R21 billion in 1979. Overall in the first 4 years of the 5-year plan industrial output will have increased by R103 billion, or 20.3 percent. Production of many types of production and technical output and consumer goods has increased, the range of them has expanded and output quality has improved.

At the present time 73,000 types of output have been awarded the state Seal of Quality.

The sectors of industry that determine scientific and technical progress--primarily machine building--are developing at increasing preferential rates. About 3,500 new types of equipment, apparatus, instruments and materials will have been assimilated in 1979 and the introduction of progressive manufacturing processes and means of mechanizing and automating production is expanding considerably.

In accordance with the decisions of the 25th party congress and the CPSU Central Committee plenums, a long-term program for strengthening agriculture's material and technical base and improving agricultural production organization is being steadily implemented. Deliveries of tractors, combines, trucks, agricultural machines, fuel and other materials to kolkhozes and sovkhozes are increasing. In the first 4 years of the 5-year plan the volume of capital investments in this sector for the whole package of operations will total R136 billion--that is, more than the 5-year plan envisaged for this period.

As you know, a number of places this year have had unfavorable weather conditions. The severe winter, followed by drought over a considerable area of the country, seriously affected the fulfillment of plan targets for agricultural output, especially grain crops. Nevertheless, 179 million tons of grain have been gathered this year thanks to the intensive labor of agricultural working people and the organizing activity of party, soviet and economic organs. Many krays, oblasts and republics achieved good results.

A great victory was won by the Kazakh SSR working people, who gathered a record grain harvest--more than 34 million tons. All the republic's oblasts successfully fulfilled the plan for grain sales to the state.

Good results were achieved by the grain growers of Altayskiy and Krasnodarskiy krays and Orenburgskaya, Omskaya, Amurskaya, Lvovskaya and a number of other oblasts.

The Kolkhozes and sovkhozes of the Azerbaijan, Uzbek and Moldavian SSRs overfulfilled the 5-year plan targets for sales to the state of grain, vegetables and fruit.

Surmounting serious difficulties, the agricultural workers of the Central Asian republics and Azerbaijan obtained a big cotton harvest.

It is now more important than ever to insure everywhere the complete safekeeping of the harvest that has been grown and the timely processing of output to high standards. The solution of this task is of paramount importance for the national economy, and personnel in agriculture, procurements, industry, transport and trade are responsible to the state for its absolute fulfillment.

At the same time efforts must be directed toward carrying out the whole package of operations to insure the necessary conditions for next year's harvest, reliable livestock wintering and an increase in livestock productivity.

A vast program of capital construction, including the construction of a large quantity of production, housing and municipal, cultural and other projects, was implemented in 1979. The total volume of capital investments in the national economy will be more than R132 billion, and in the first 4 years of the 5-year plan it will be more than R500 billion, or R10.4 billion more than was envisaged for these years by the 5-year plan targets.

The country's fixed production capital, which constitutes the foundation of its economic might, will have increased by R273 billion over the period 1976-1979, reaching over R1 trillion by the beginning of next year. New capacities have been commissioned in all national economic sectors during the 5-year plan through the construction, modernization and technical reequipping of existing enterprises. Around 1,000 major state industrial enterprises have been commissioned, including: The Sayano-Shushenskaya GES, the Kursk, Chernobyl and Armenian nuclear power stations, the Lisichanskiy and Pavlodar oil refineries, the Krasnodar chemical plant, the synthetic fiber plant in Grodno, the Kama truck plant, the Volgodonsk "Atommash" plant, the Novospasskiy and Navoiyskiy cement plants, the wool-spinning factory in Krivoy Rog, new china and earthenware plants, sewn goods factories, meat combines in Lipetsk, Zhitomir and Volgodonsk and others.

In the current year new successes have been achieved in resolving very important social questions and improving the people's living standard. This is reflected primarily in the growth of real per capita incomes. In 1979 they will have increased by 2.5 percent and over the 4 years by 13.3 percent. The average monthly wage of workers and employees will have increased over the 1976-1979 period by 12.4 percent and kolkhoz members' earnings by 21.7 percent, which conforms to the 5-year plan targets for the given period. This year sees the completion of the introduction of new wage and salary rates for workers in the nonproduction sphere. This means that the wages of 31 million people will have increased over the 5-year period.

Public consumption funds will reach R110 billion in 1979. Over the 4-year period they will have increased by more than 22 percent. The network of schools, academies, VUZes, general out-patient clinics, hospitals and cultural institutions has expanded and their material, technical and scientific base has been strengthened.

Housing construction has continued on a large scale. In 1979 alone a total of 102.5 million square meters of housing will have been commissioned--423 million square meters over the 4 years--with an increase in the quality of housing.

Retail trade in state and cooperative trade will have increased 4.8 percent this year, exceeding R0.25 trillion. The overall volume of consumer services will total R7.4 billion. Soviet people's working and everyday living conditions are improving all the time.

The indicators for the country's foreign trade turnover have exceeded the level outlined in the 5-year plan.

Comrade deputies! It must be said that despite a number of objective difficulties which the economy has encountered this year our successes in economic building could have been much greater if ministries and departments, union republic councils of ministers and leaders of associations, enterprises, kolkhozes and sovkhozes had carried out more consistently and persistently the instructions of the party central committee and Soviet government on improving production efficiency and work quality, and strengthening state plan and labor discipline and had overcome existing shortcomings and difficulties in the economy.

Despite the absolute increase in the production volume compared with the previous year, the targets set by the plan for 1979 for the production of such important types of industrial output as rolled ferrous metals, coal, oil, mineral fertilizers, synthetic resins and plastics, certain types of nonferrous metals and paper will not be fulfilled. The ministries are to blame for this, above all the ministries of the petroleum industry, the coal industry, ferrous and nonferrous metallurgy and the chemical and pulp and paper industries.

State targets for the production of consumer goods have not been completed, fulfilled and this has created difficulties in meeting growing consumer needs. The ministries of the light and food industry and other ministries and departments producing consumer goods sometimes fail to adopt the proper measures to increase consumer goods production.

Shortcomings in labor and production organization and in the use of production capital and capacities and laggardness in the fulfillment of plans for the assimilation of new types of output and the introduction of progressive equipment and technology have had an adverse effect on the fulfillment of 1979 targets for increasing labor productivity and certain other indicators of production efficiency which has ultimately affected the rate of increase of national income.

Particular mention should be made of the extremely slow reorganization of work in such an important national economic sphere as capital construction. The continuing fragmentation of resources and the increase in the amount of uncompleted construction has led to delays in commissioning projects, as a result of which the national economy has failed to receive a considerable quantity of output.

It is primarily the construction ministries that are to blame for the capital construction lag. Blame is also borne by client ministries, which include a large number of construction sites and projects in plans sometimes without verifying the actual possibilities and do not always provide prompt plan and estimate documentation for them. At the same time, some machine building ministries are also failing to meet schedules for the manufacture and supply of equipment for projects nearing completion.

The needs for shipments of a number of very important freight items are still not being fully met by railroad transport, which creates difficulties in the fulfillment of the production plan. This is the result of unsatisfactory work by the Ministry of Railways and also of the long periods freight cars stand idle waiting for loading and unloading in sidings at many industrial enterprises.

Considerable work has to be done in 1980 to eliminate the aforementioned shortcomings and to improve leadership by ministries, departments and union republic councils of ministers of the activity of subordinate enterprises.

In this respect exceptionally great significance will be attached to the fulfillment of the recently adopted party Central Committee and Soviet Government resolutions aimed at further improving the planning system and the entire economic machinery. These documents, prepared in implementation of the 25th CPSU Congress' instructions and the provisions of the new USSR Constitution, orient all management and planning activity toward the achievement of high national economic end results and the fuller satisfaction of growing social requirements. [paragraph continues]

The consistent implementation of measures to improve planning work, increase the effectiveness of capital investments and strengthen the effectiveness of economic levers and incentives will be an important condition for the intensification of the Soviet economy. The restructuring of the economic machinery in accordance with these fundamental documents is a major economic and political task and its resolution must be at the center of the attention of all planning, economic and financial organs at central and local level and all production collectives.

A number of measures envisaged in the CPSU Central Committee and USSR Council of Ministers resolutions must be implemented as early as 1980, and this is taken into account in the draft plan submitted to you.

In particular this applies to changing capital investment patterns in favor of the technical refitting and modernization of enterprises and to strengthening the program approach to the shaping of plan targets. The plan provides for the use of a number of new indicators. Among them are: net output (normative) for more than 800 production associations and enterprises, including all the enterprises of the Ministry of Heavy Machine Building and the Ministry of Power Machine Building; limits on the numbers of workers and employees; normatives for wages per ruble of output for nine industrial ministries, and so forth.

In shaping the plan for 1980 important decisions on fundamental questions of national economic development adopted by the CPSU Central Committee on Comrade L.I. Brezhnev's initiative have been taken into account. The need to insure stable growth in the fuel and energy complex and to boost [podtyanut] such key economic sectors as transport, ferrous and nonferrous metallurgy, machine building and chemicals has been acknowledged. Here the party's line on further developing agriculture and expanding consumer goods production remains unchanged.

The solution of these urgent problems will be promoted by the mobilization of all existing resources and the achievements of the scientific and technical revolution to insure the proportional, comprehensive development of the country's production forces on the basis of intensive factors of economic growth.

The Main Tasks, Rate and Proportions of the Development of the USSR's National Economy in 1980.

Comrade Deputies!

The plan for 1980, the final year of the 10th 5-Year Plan, has been elaborated taking into account the need to create favorable conditions for a successful start to work in the 11th 5-year plan period. In this connection it is planned to implement a whole set of measures insuring increased efficiency in social production. It is planned to accelerate the technical refitting and strengthen the material base of key sectors of the national economy and to improve proportionality in economic development.

The fulfillment of these measures will be an important contribution to the resolution of the economic and social tasks of the 10th 5-Year Plan and will promote the steady growth of the people's well-being, the strengthening of the country's defense capability and the creation of the preconditions for fulfilling the tasks of the USSR's further socioeconomic progress. At the same time it must be noted that for a number of indicators the targets are lower than the 5-year plan for that year.

In 1980 national income used for comsumption and accumulation will increase by 4 percent, or R17 billion. The volume of industrial output will increase 4.5 percent. Here in both Group A and Group B industries the rate of output growth will be the same, namely 4.5 percent. Such a production growth rate will make it possible to satisfy more fully the population's effective demand for consumer goods and the national economy's requirements for material resources and to improve the structure of industrial production.

An 8.8 percent increase in gross agricultural output is envisaged. A further increase in supplies of material and technical resources to that sector is planned. Advanced forms of organization of agricultural production will be disseminated increasingly widely.

The volume of capital investments in the national economy from all sources of finance will total R135.3 billion next year, and state capital investments will be R119.1 billion. This is above the 5-year plan target for 1980.

These plans [proektirovki] are based on targets for increasing social production efficiency, and above all for increasing labor productivity. Labor productivity will increase 3.8 percent in industry, 3.5 percent in construction, and 2.9 percent in railroad trnsport. This is higher than the indicators achieved in 1979. The fulfillment and overfulfillment of these targets will be an important task for ministries, association and enterprise collectives and all economic organs.

The planned volumes of production are insured as a whole by the workforce. However, in a number of regions difficulties may arise in connection with the fact that the increase in the population of working age will be slightly less than in 1978 and 1979. This emphasizes still further the importance of training cadres in good time, keeping them where they are and making the most effective use of manpower. There are great opportunities in every sector and at every enterprise for improving labor organization and raising labor productivity on this basis.

The ministries and departments and union republic councils of ministers must step up work on the dissemination, at enterprises, of the principles of the scientific organization of labor--an important means not only for the successful solution of socioeconomic tasks but also for Soviet people's education in the spirit of a conscious creative attitude toward their duties to society. At the same time it is essential to intensify incentives for the overfulfillment of progressive, technically substantiated norms and for the increase in production output with the least number of workers by expanding multimachine manning and the combining of professions and by team and other advanced methods of labor organization.

Economic growth rates in 1980 will depend largely on how fully and effectively the tremendous economic potential created in our country and our entire national wealth are used. Proceeding from this premise the plan for 1980 provides for a complex of measures aimed at the better utilization of capacities and the more economical expediture of physical resources. This applies primarily to expenditures of fuel and energy resources, ferrous and nonferrous metals, output from the chemical industry, sawn lumber and so forth. The strictest policy of thrift in matters great and small should be the unfailing law of economic management.

The prime cost of output should be reduced by saving physical resources and by labor productivity growth, which will serve as the basis for production profitability growth. It is planned to increase profits in industry by 9.1 percent and profits in the national economy as a whole by 10.1 percent.

To insure that the plan targets are fulfilled and surpassed it is essential to create on all sectors of the national economy an atmosphere of a high degree of organization and responsibility for the matter in hand and to expand socialist competition still more widely among labor collectives for the best end results. This requires that the ministries, departments, union republic councils of ministers and all leading cadres improve the style and methods of their work in the spirit of the instructions of the party and government.

Comrade deputies! You have at your disposal materials giving a detailed account of the plan indicators for 1980. Allow me therefore to dwell only on the most important questions of the country's economic and social development.

Industry

Proceeding from the tasks of the national economy's development and with a consideration for existing resources, the plan for 1980 provides for an industrial production volume of R633.6 billion. This is 2.7 times more than the industrial output volume in 1965.

The plan pays special attention to the increase in the GENERATION OF ELECTRICITY AND FUEL EXTRACTION. In 1980 it is planned to increase the generation of electricity by 4 percent compared with 1979, and to bring it up to 1,295 billion kilowatt hours. Here the generation of electricity at nuclear power stations will increase 33 percent.

The extraction of oil and gas condensate is planned to total 606 million tons, or 3.6 percent more than in 1979 while it is planned to extract 435 billion cubic meters of natural gas. The annual growth here will be more than 7 percent. The annual volume of coal extraction will reach 745 million tons, or will increase 2.2 percent.

The main increase in oil extraction will be obtained in the regions of West Siberia, which compensates for the natural fall-off in extraction at old deposits and insures a certain increase in its extraction. Extraction will also increase in the regions of Komi and Udmurtskaya ASSRS, the Georgian SSR and Sakhalinskaya Oblast.

Speaking of the prospects for the development of the fuel and energy complex, it is essential to stress that the targets for the growth of oil and gas extraction will be fulfilled under the conditions of the development of new deposits in remote region and those that are difficult of access, and of an increase, in this connection, in the distance over which these types of fuel are transported. This will naturally entail a considerable increase in capital investments and current expenditure.

To secure the planned oil and gas extraction volumes, the Ministry of the Petroleum Industry, the Ministry of the Gas Industry and the Ministry of Construction of Petroleum and Gas Industry enterprises must accelerate the construction of projects at new oil and gas deposits and commission promptly gas and oil pipelines, compressor and pumping stations and gas processing plants. It is essential to step up attention toward housing and municipal and consumer service construction in new regions, especially West Siberia and the Komi ASSR, to retain worker and specialist cadres and create favorable conditions for their work, leisure and cultural growth.

It is planned to obtain the main increase in coal extraction at the Kuznetsk, Karaganda, Ekibastuz and Kansk-Nchinsk basins. Considerable new capacities must also be promptly commissioned here and the mines' standard of technical equippedness must be enhanced. The USSR Ministry of the Coal Industry, the Ukrainian and Kazakh SSR councils of ministers and the construction ministries must insure the speediest commissioning of projects and assimilation of the mines' planned capacity, and must enhance the efficiency of equipment utilization and labor productivity.

For the uninterrupted supply of fuel to the national economy and the population it is necessary not only to fulfill successfully the plans for its extraction but also to strictly observe state planning discipline in the utilization of fuel and energy resources. All ministries and departments, the union republic councils of ministers and enterprises and organizations must view work on the saving and rational consumption of fuel as one of their most important tasks.

The further boosting of the national economy also largely depends on increasing production and improving the structure of constructional materials, particularly FERROUS AND NON-FERROUS METALS. One of the most important economic tasks of the 1980 plan is to increase the output of metal products, expand and improve their range and to introduce progressive equipment and technology in metallurgical production.

The amount of cast iron to be smelted is set at 115 million tons and the amount of steel to be smelted is set at almost 157 million tons. More than 109 million tons of finished rolled metal products and 18.5 million tons of steel pipes will be produced. These production volumes could be not only achieved but also surpassed if the Ministry of Ferrous Metallurgy and its subordinate enterprises really were to mobilize the large reserves for increasing output and improving its quality and were to adopt effective steps to eliminate violations of technological discipline, to prevent stoppages and unplanned repairs of main assemblies and to use production capacities more efficiently.

New capacities are to be commissioned in a number of metallurgical and ore-mining enterprises, including capacities for the production of finished rolled-metal products at the Novolipetsk plant and the Beloretsk and Magnitogorsk combines. The prompt commissioning of capacities and the speediest attainment of their design indicators and development of an ore base must be taken under the unremitting supervision of soviet, planning and economic organs.

Technical progress in the national economy, particularly in the electrical engineering, electronic and a number of other industrial sectors makes major demands on nonferrous metallurgy. In order to meet these demands the Ministry of Nonferrous Metallurgy and its enterprises must accelerate the commissioning of new capacities, primarily mining and enriching enterprises, insure that they operate without breakdowns, increase the pace of stripping work at large open-cut mines, improve the utilization of raw material resources and insure that targets are achieved in respect of the fullest extraction of metals from ores and concentrates.

At the same time ministries and departments must do everything necessary to meet their confirmed targets for saving ferrous and nonferrous metals and not under any circumstances allow their diversion toward purposes not specified by the plan.

IN THE CHEMICAL AND PETROCHEMICAL SECTOR of industry the 1980 plan provides for increasing total output by 9 percent. [paragraph continues]

Production of mineral fertilizers will increase by 16.9 million tons or 17.2 percent. The production of synthetic resins and plastics, chemical fibers and threads and other chemical output will increase.

In these sectors it is essential to pay particular attention to accelerating the construction and commissioning of capacities, the improvement of production organization at existing enterprises and the introduction of advanced equipment and technology.

The draft plan sets TIMBER EXTRACTION at 344 million cubic meters or 25 million cubic meters more than the expected level this year. The production of commercial timber and wood fiber and woodchip boards will increase.

IN THE PULP AND PAPER INDUSTRY the following production increases are outlined: pulp by 16.6 percent, paper by 7.1 percent and cardboard by 12.1 percent. Increasing the output and expanding the range of these products will be achieved by commissioning new projects and making better use of the capacities of existing enterprises.

Comrade deputies, as in previous years, in preparing the plan great attention was devoted to the development of MACHINE BUILDING--the core of our industry. Production from the machine building and metal working sector will increase by a total of 6.5 percent compared with the level expected in 1979.

Measures are outlined to improve the structure of machinery and equipment output by increasing the proportion of new and more productive and economical kinds of equipment and by taking out from production more than 1,500 obsolete products. Preferential growth is envisaged in the output of machinery and equipment for the fuel and energy sectors and for agriculture, for mechanization of arduous and labor-intensive operations, onloading and offloading and transportation work and for improving labor conditions.

In 1980 machine builders will manufacture a number of major turbine units for nuclear and hydroelectric stations, including the Sayano-Shushenskaya GES.

The amount of oilwell drilling and geological prospecting equipment produced and delivered to petroleum and gas industry enterprises will be increased. The output of installations for drilling cluster wells will increase by 23 percent, insuring a 30 percent increase in labor productivity.

Metallurgy will receive electric furnaces for resmelting steel slag in flat blocks weighing up to 20 tons and also some other new kinds of high production equipment. It is envisaged that large flowlines for producing mineral fertilizers will be built and that raw material for them will be produced.

It is planned to increase the production of high precision and technically more sophisticated metal-cutting machine tools at a preferential rate. Thus the manufacture of machine tools with numeric program control will increase by 14 percent and of the production of multi-operation machine tools will increase by 30 percent and that of automatic handling devices with program control will increase by 70 percent. The production of program control forging and pressing machinery will increase by more than one-third. The production of automation instruments and equipment will increase by almost 8 percent.

In the motor vehicle industry the production of quarry dump trucks with capacities of 40 tons and 75 tons will be increased. The output of buses in 1980 is envisaged as greater than the 5-year plan targets.

To further strengthen the technical base of agriculture it is planned to increase the production of high-power [energonasysh-chenny] tractors at the Kharkov tractor plant and new tractor models at the Minsk plant. It is planned to increase the production of roll-type pickup-balers by 150 percent and self-propelled fodder harvesters by 50 percent. The series production of trailed fodder mixers and distributors and of motorized fodder transporters [autokormovoz] with a capacity of 25 cubic meters will be started.

There will be increased production of manufacturing equipment for light and food industry sectors, milling and mixed fodder enterprises and grain stores and for trade and public catering enterprises.

In all machine-building sectors the rate of growth of spare parts production will outstrip the growth of machinery and equipment production--which will make it possible to better satisfy the repair and operating needs of enterprises.

At the present time the problem of the rational use of metal is becoming increasingly urgent. Valuable experience of saving metal has been accumulated at a number of machine-building enterprises. However, the metal-intensiveness of much of the machinery and equipment which we produce is still high. There is much waste of metal products, particularly at enterprises under the ministries of the machine tool and tool building industry, the electrical equipment industry, the automotive industry and a number of other ministries. Machine-building ministries must elaborate and implement a comprehensive system of measures to fulfill the metal-saving targets envisaged in the plan, and the USSR Ministry of Ferrous Metallurgy must insure an increase in deliveries of highly economical rolled shapes to machine-building sectors.

The capital construction program outlined for 1980 is linked to growth in the production of all types of CONSTRUCTION MATERIALS: Increases of 4.2 million tons of cement, 350 million standard slate tiles, 50,000 tons of asbestos, and so forth. The plan also outlines measures to increase production of new, better-quality and more economical types of construction materials and allocates the necessary resources for this. In addition, the Ministry of the Construction Materials Industry, union republic councils of ministers and local soviets must step up work on the production of progressive materials and insure strict observance of the policy of thrift and improved organization of labor and production at the sector's enterprises.

Improvements in the working people's well-being largely depend on more extensive production of CONSUMER GOODS.

IN LIGHT INDUSTRY the volume of production will increase 4.3 percent. Production of textiles in increased demand--calico, linen, sateen, dress, napped, decorative and other materials--will increase. In terms of production volume 12 percent of the range of cotton fabrics and 10 percent of silk fabrics will be updated. Some 38 percent of knitted goods and 63 percent of sewn goods will be updated.

A considerable updating of goods is also envisaged in the footwear industry. Production of an improved range of footwear will increase 11 percent, and production of fashion footwear will increase 8 percent. Production of a number of other goods in mass demand, as well as articles for children, will increase.

The plan for FOOD SECTORS of industry proceeds from the expected purchases of agricultural raw materials in 1979 and the planned volumes of purchases in 1980, as well as from the potential for making fuller use of raw material resources. The growth in production compared with 1979 is planned at 3.8 percent for the food industry and 2.8 percent for the meat and dairy industry.

Production of CULTURAL-DOMESTIC AND HOUSEHOLD goods will increase 10 percent. Here there will be a considerable increase in production of color television sets, radios, radio phonographs, clocks, watches, refrigerators, washing machines, domestic chemical goods and jewelry. There will be a substantial increase in the range and an improvement in the quality and aesthetic design of cultural-domestic and household goods.

Agriculture

Comrade deputies!

Fulfillment of the decision of the 25th CPSU Congress and the party Central Committee July (1978) Plenum on the development of agriculture and the creation of a sound material and technical base in this sector with a view to constantly increasing production remains the most important plan task for 1980 too.

Gross agricultural output has been set at R136 billion, which is R11 billion above the 1979 level.

The volume of purchases for the majority of types of arable output largely correspond to the 5-year-plan targets for 1980. The livestock, poultry, milk, wool and grape purchases outlined are below those targets. The reduction in the volumes of livestock products is connected with the shortfall in the grain and fodder harvest, while that for grapes is connected with the damage to plantations in the 1976-1977 winter period.

Soviet and economic organs, kolkhozes and sovkhozes must utilize all potential to increase fodder stocks from local sources and insure their proper storage, preventing the smallest loss of nutrients and making efficient use of existing fodder resources.

Next year provision has been made for capital investments for the development of agriculture for the entire range of operations to the tune of R37 billion. In all, more than R173 billion will be invested in agriculture during the 10th 5-Year Plan from all sources of finance, or R3.1 billion more than the 5-year plan outlined.

In 1980 agriculture will receive 344,000 tractors, 270,000 trucks, 293,000 tractor trailers and much other equipment. Some 88 million tons of mineral fertilizers will be delivered to kolkhozes and sovkhozes.

As is known, land improvement and the comprehensive opening up of land are an important factor in achieving stable harvests. State capital investments to the tune of R7.9 billion are allocated for these purposes, or 10 percent more than this year. It is planned to commission 756,000 hectares of irrigated land and 849,000 hectares of drained land. In addition, kolkhoz funds will be used to commission more than 100,000 hectares of irrigated land. By the end of 1980 the total area of improved agricultural land will reach 31 million hectares. It is planned to develop closed irrigation systems employing sprinkler machines.

The plan outlines preferential development rates for agriculture in the Non-Chernozem Zone of the RSFSR, the strengthening of its material and technical base and the improvement of socioeconomic living conditions for rural workers. Proposals are currently being elaborated to raise agricultural production efficiency in this vast region and to make more rational use of the large funds being channeled into its development.

In allocating large resources for the technical equipping of kolkhozes and sovkhozes we must display constantly concern for their most efficient utilization. However, serious shortcomings in the use of arable land, including reclaimed land, in the storage and repair of equipment and in the consumption of mineral fertilizers, fuels, oils and other materials continue on many farms.

The most important tasks of the USSR Ministry of Agriculture, union republic councils of ministers, local organs and scientific establishments are those of improving the work organization of agricultural enterprises, increasing the productivity of crop growing and livestock raising and introducing progressive, scientifically substantiated production methods. The resolution of these tasks is of truly nationwide significance.

Transport and Communications

Comrade deputies!

An important role in the fulfillment of the plan targets outlined for 1980 is assigned to uninterrupted operation by transport. On the basis of the planned volumes of production and the siting of production forces, it is planned to increase freight trade for all types of transport by 5.3 percent over the year, including a 4.1 percent increase in railroad transport. It is planned to improve the utilization of rolling stock--to increase the productivity of locomotives and freight cars and increase the [average] speed including planned stops and the weight of freight trains.

Work on extending the railroad network will be continued. It is planned to commission 680 km of new railroad, construct over 1,100 km of second tracks, electrify 1,300 km of railroad and equip a significant number of sectors with automatic braking and centralized dispatcher systems.

Capital investments in excess of R3.7 billion are allotted for the development of railroad transport (not taking into account expenditure on the construction of the Baykal-Amur railroad), which is R511 billion more than provided for in the 5-year plan for this year.

The party and government display great concern for improving railroad workers' working conditions. Only recently a number of important measures have been adopted to keep cadres where they are, above all in regions of Siberia and the Far East.

At the same time in order to improve the operation of the railroads decisive significance will be attached to the more efficient utilization of all existing transportation facilities in railroad transport. This must be achieved above all on the basis of eliminating nonrational transportation, strengthening production and labor discipline and increasing the responsibility of all railroad workers for the fulfillment of plans. It is also necessary to eliminate shortcomings in the organization of the work of transport shops at industrial enterprises.

The plan provides for further strengthening of the material and technical base of sea, river and air transport.

The volume of work of main pipeline transport in pumping oil and petroleum products, and also gas, will increase.

The volume of passenger transport by all types of transport will increase 3.2 percent over the year, including a 5.9 percent increase in air transport and a 3.3 percent increase in bus transport.

Next year the country's communications system will be further developed and the servicing of the national economy and the population by all types of communications will improve. The length of intercity telephone exchanges will increase approximately 6.5 percent. The number of multiprogram television stations and comprehensively mechanized postal communications enterprises will increase.

Capital Construction

Comrade deputies!

The indicators of our economic development depend largely on how efficiently the huge resources allocated by the state for the creation and renewal of fixed capital in the national economy are utilized.

The capital construction program has been formulated on the basis of material and financial potential and also the available capacities of organizations subordinate to the construction ministries.

As already noted, the volume of state capital investments in 1980 will total R119.1 billion, or R6.6 billion more than envisaged in the 5-year plan for the last year of the 5-year period.

In determining the volume of capital investments in the development of individual sectors of the national economy consideration was given the need to improve intersectoral and intrasectoral proportions and to supply the national economy with the most important types of material resources more fully.

The plan provides for higher growth rates in capital investments in railroad transport and such sectors as electricity, the fuel and chemical industry, ferrous and nonferrous metallurgy, heavy and transport machine building, the electrical equipment industry, machine building for the light and food industry and household appliances and a number of others. Capital investments in the main industrial sectors producing consumer goods will increase considerably. Thus, for instance the volume of construction and installation work will increase 55 percent against the 1979 level in light industry, 15 percent in the food industry and 19 percent in the meat and dairy industry.

As in past years, one of the most important directions of capital investments is housing and municipal construction and the construction of educational, health care and cultural projects.

Party and government resolutions stress that in capital construction priority significance is attached to the technical refitting and modernization of existing enterprises. Capital investments of R18.4 billion are planned for these purposes, as against R16 billion in the 5-year plan. At the same time USSR ministries and departments and union republic councils of ministers must seek out potential for increasing the volume of capital investments for the purposes indicated within the overall volumes laid down for capital investments in the construction of production projects in order to insure by this means an additional increase in production capacities over and above plan targets.

The 25th party congress indicated the need to increase the proportion of active fixed production capital in the total volume of this capital. In the plan for 1980 state capital investments in equipment are set at R46 billion. The proportion of this expenditure will be 38.7 percent of the total as against 35.5 percent according to the 5-year plan.

The plan provides for targets for the commissioning of fixed capital out of state capital investments to the tune of R114 billion. Ministries, departments and union republic councils of ministers must adopt resolute measures to insure the speediest completion of the construction of projects nearing completion, the restriction of the number of new construction projects and the concentration of financial resources and labor and material resources on the most important projects, a reduction in the volume of uncompleted construction and the greatest possible acceleration in the rate of work. The All-Union Bank for financing capital investments and the USSR Gosbank must step up monitoring of the strict observance of procedure laid down for financing construction.

The Development of Science and Technology

National economic development increasingly is coming to be based on the utilization of scientific and technical achievements for building up the country's economic potential, increasing production efficiency, improving output quality, producing new products, further improving production equipment and technology and making working conditions easier.

In 1980 it is planned to put 4,000 new types of machinery, equipment, instruments and materials into production. In the 10th 5-Year Plan as a whole around 18,000 new types of industrial articles will have been assimilated compared with 16,500 in the Ninth 5-Year Plan.

The state plan includes around 1,000 targets for starting production of most important products and 350 targets for the startup of progressive manufacturing processes and measures for production mechanization and automation. The implementation of these measures will make it possible to transfer 400,000 industrial workers from manual to mechanized labor in 1980.

It is planned to commission 414 automated systems for controlling complex manufacturing processes on the basis of computers. It is planned also to commission considerable general-purpose computer capacities. Production of micro-computers, which began in the 10th 5-Year Plan, is being further developed.

Measures have been outlined on a par with or in excess of the 5-year plan target for improving production technology in machine building. This refers to the introduction of the electroerosion, electrochemical, ultrasonic, elctron-beam and light treatment of metals, the use of parts manufactured by the powder metallurgy method and new welding and casting processes.

More than R21 billion have been allocated for scientific and technical development in 1980--5.5 percent more than this year. This is higher than the national income growth rate. Maximum use must be made of the allocated resources since the acceleration of technical progress in all sectors of the Soviet economy and the speediest introduction of the results of scientific and design developments projects into mass production have been and still are a central task for all economic leaders.

Improving the People's Living Standard

Comrade deputies!

The 1980 plan tasks for social development and improving the people's well-being are set in accordance with the long-term social progress elaborated by our party. On the basis of the growth of national income and consumer goods production and the development of the services spheres real per capita incomes will increase next year by 2.9 percent and over the 5-year period as a whole they will increase by 16.9 percent.

Overall expenditure on measures to improve the people's living standard from the beginning of the 5-year plan to the end of 1980 will be R15.4 billion. In 1980 measures will be implemented to raise the wages of agricultural workers in the Non-Chernozem Zone of the RSFSR, to pay increments to railroad transport workers for long service, to step up material incentives for pensioners working in the national economy, to improve pensions for kolkhoz members, to increase benefits for people who have been invalids since childhood and other measures. There will also be payments in connection with the completion this year of the regularization of wage and salary rates in nonproduction sectors and the introduction of wage increments and other concessions in railroad transport in Siberia and the Far East.

The repayment of previously issued state internal loan bonds will continue.

A further increase in the population's money incomes is envisaged. The average monthly wages of workers and employees will rise to R167.3, or by 2.1 percent, while kolkhoz members' earnings will rise to R118 or by 5.4 percent.

On the basis of the planned growth of the population's income and consumer goods resources retail turnover in state and cooperative trade is envisaged as R264.2 billion, or 5.1 percent more than this year.

In order to satisfy more fully the population's effective demand it is intended to establish an extra trade turnover target of R2.8 billion. USSR ministries and departments and union republic councils of ministers must seek the commodity resources for this in the course of the fulfillment of the plan by means of mobilizing internal reserves and local raw material sources and by saving material resources.

Next year it is planned to carry out a significant program of housing construction. Taking into account capital investments from all sources of finance a total of 109.4 million square meters of housing will be constructed in 1980. This will make it possible to increase the average housing space per urban inhabitant to 12.9 square meters.

More than 10 million people will get better housing, over 50 million in the 5-year period as a whole. New water supply, sewer, heat and gas networks will be commissioned and the network of good-quality highways will be expanded.

Public consumption funds will increase by 5.5 percent in 1980 to R116 billion. This will provide for the payment of pensions, benefits and grants, the further development of public education and cadre training, public health and the improvement of social and cultural services for the population.

State capital investments and funds from communist subbotniks will pay for the construction of preschool establishments for almost 500,000 children. By the end of next year there will be a total of 14.7 million children in permanently operating creches and kindergartens, including those on kolkhozes.

In the 1980/81 academic year almost 39 million people will study in general educational day schools. Some 10.6 million people--more than the 5-year plan target for the year--will be in extended-day schools and groups. State capital investments will pay for the construction of school buildings for 934,000 students and kolkhoz funds will pay for 191,000 places.

The training of specialists with higher and secondary education is planned at approximately the level of the 5-year plan targets. VUZes and technical colleges will take in about 2.5 million students and produce over 2 million specialists. The training of skilled worker cadres by vocational and technical educational establishments is being considerably expanded.

The overall number of beds in hospital institutions will increase by 1.9 percent and will total 3.3 million by the end of 1980. The number of doctors will increase 3 percent during the year and reach 986,000.

Nature Conservation and the Rational Utilization of Natural Resources

Implementing the provisions of the USSR Constitution, the plan provides for a package of measures for further improving the quality of the environment and making rational use of natural resources. This is a very important social and economic problem.

USSR ministries and departments and the union republic councils of ministers have been set targets aimed at reducing toxic discharges into water sources and the atmosphere, rationally utilizing and recultivating land, constructing antierosion and and antiflood installations, creating field-protecting wooded regions and organizing sanctuaries. Measures are envisaged for protecting forests from fires, reproducing fish stocks and commercial animals, extracting and processing mineral raw material in a comprehensive manner, constructing waste-purification installations, and also other avenues of nature conservation activity.

In 1980 sewage purification installations with a capacity of about 6 million cubic meters a day will be commissioned as will water-recycling installations with a capacity of about 32 million cubic meters a day. The construction of these installations will make it possible to reduce discharges of polluted water by 28 percent during the 5-year period and to increase by 30 percent the volume of water used in recycling systems.

Measures to conserve water resources have already had a positive impact on the condition of the rivers of the majority of regions of the south and east European part of the country. Rivers flowing into the Baltic and Black seas, the Azov Sea and the Caspian have become cleaner.

It is planned to commission installations for collecting and neutralizing harmful substances in waste gases with a total capacity of 41 million cubic meters of gas an hour. The discharge of harmful substances which pollute the atmosphere from stationary sources will be reduced by almost 15 percent by comparison with 1975. The condition of the air basin over a number of the country's cities and industrial regions will be improved.

Throughout the USSR national economy as a whole R1.9 billion in state capital investments is being channeled next year into the implementation of measures for nature conservation and the rational utilization of natural resources. Industrial enterprises, kolkhozes and sovkhozes are earmarking considerable funds for these purposes from their funds.

Development of the Union Republics' Economy

Comrade deputies!

The plan for 1980 plans the further development of the economy and culture of all union republics and economic regions, an increase in the diversification of their economies and the intensification of the all-union division of labor.

It is planned to develop industry in the transcaucasus republics and the Moldavian, Kirgiz, Belorussian, Kazakh, Ubzek, Latvian and Lithuanian SSRS more rapidly then for the country as a whole.

In the RSFSR the gas, petroleum, chemical and pulp and paper industries and a number of machine building sectors will receive preferential development.

IN THE EUROPEAN PART OF THE RSFSR AND THE URALS the energy base will be strengthened. New capacities will be commissioned at the Leningrad, Smolensk and Kola nuclear power stations, the Kostroma, Ryazan and Reftinskaya GRES's and other power stations. The construction of the Nizhnekamsk petrochemical production facilities complex and the Volgodonsk "Atommash" plant will be continued.

It is planned to commission new capacities for the detergent production at the Perm plant and funiture production at the Ulyanovsk factory.

The installation of units for Ammonia production will be continued at the Tolyatti nitrogen plant. Alongside the construction of the second phase of the Kama truck plant capacities will be assimilated for the production of large trucks, while at the Cheboksary tractor plant capacities for producing 330-horse-power industrial tractors will be commissioned.

The further growth of production forces is planned IN SIBERIA AND THE FAR EAST.

In West Siberia oil extraction will be increased to 315 million tons and gas extraction to over 160 billion cubic meters. The construction of the Surgut gas refinery with a refining capacity of 4 billion cubic meters of gas a year is to be completed and the capacities of the Surgut No 1 GRES will total 2.5 million kilowatts. Capacities will be commissioned at the Altay by-product coke plant, the Tomsk chemical plant for the production of 100,000 tons of polypropylene and others.

In East Siberia large-scale territorial production complexes will be further developed. Two turbines of 640.000 kilowatts each will be commissioned in the Sayanskiy territorial-production complex at the Sayano-Shushenskaya GES. It is planned to commission capacities for the production of high-voltage vacuum switches within the Minusinsk complex of electrical engineering industrial enterprises. A pulp plant will be commissioned in the Bratsk-ust-Ilimsk territorial-production complex.

In the Far East installation of the second section of the Vanino-Kholmsk sea ferry will begin. Construction of the Primorskaya GRES will continue, as will preparatory work on the installation of the Bureya GES. The Zeyskaya GES will be commissioned at full capacity.

On the Baykal-Amur Main Railroad the total length of sectors open to traffic will be 1,900 km by the end of 1980, which is rather more than half the entire length of the Baykal-Amur railraod.

In the RSFSR agriculture it is planned to further improve the structure of sown areas, to make wider use of mineral and organic fertilizers and chemical plant protection agents, and on this basis to increase the yield of agricultural crops and further improve livestock productivity. New measures will be implemented in developing agriculture in the Non-Chernozem Zone.

IN THE UKRAINIAN SSR machine building, petrochemicals and oil refining will be developed at preferential rates and the production of consumer goods will increase. Capacities will be commissioned at the Yuzhnyy, Novokrivorozhskiy and Tsentralnyy mining and enrichment combines, the Zhdanovskaya-Kapitalnaya mine and the Cherkasskoye Azot production association.

In the republic's agriculture the production of grain, sunflowers, fruit and berries will increase.

IN THE BELORUSSIAN SSR a further growth is planned in chemicals and petrochemicals, machine building and metalworking. It is planned to increase the yield of agricultural crops and livestock raising productiveness.

IN THE BALTIC REPUBLICS the chemical and petrochemical industry, the production of communications facilities, instrument making and electronics will be developed preferentially. The output of consumer goods will be increased. Agriculture will be further developed.

IN THE MOLDAVIAN SSR the power industry, machine tool building and the food and meat and dairy industries will be developed at considerable rates. The production of grain, grapes, vegetables, fruit and berries will increase.

IN THE TRANSCAUCASIAN REPUBLICS the power industry, nonferrous metallurgy, machine building and the chemical, light and food industries will be developed. In agriculture it is planned to increase the production of grapes, tea, vegetables, fruit, berries, essential oil crops and livestock products.

IN THE CENTRAL ASIAN REPUBLICS AND KAZAKHSTAN it is planned to further develop the power industry, nonferrous metallurgy and the chemical, light and food industries. In these regions the production of raw cotton, vegetables, fruit, grapes and livestock products will be increased.

Foreign Economic Relations

The plan for 1980 provides for the further expansion of the Soviet Union's foreign economic relations with foreign countries.

The growth rate of the USSR's foreign trade turnover is outstripping 5-year plan targets. In 1980 it will increase 4.7 percent in comparison with the current year.

The plan provides for the further development of our economic relations with the socialist countries on the basis of joint planning activity. In accordance with agreements concluded, machine building and instrument making products, oil, gas, rolled ferrous metals, iron ores, concentrates and other goods will be delivered from the Soviet Union to CEMA countries. In their turn the CEMA countries will deliver to the USSR equipment, machines, ships, consumer goods and other products.

The 22d and 23d CEMA sessions adopted five long-term targeted programs aimed at the joint solution of the most important economic problems facing the countries in the sphere of the development of fuel sectors and the power industry, provision of raw materials, specialization in machine building, insuring better supplies of foodstuffs and industrial goods to the population, and also developing transport.

In accordance with these programs the Soviet Union is giving the fraternal countries active assistance in the development of their national economy, in particular by means of the construction of important industrial projects. A number of major enterprises are being constructed in the USSR with the participation of socialist countries.

The plan provides for a significant increase in the USSR's economic ties with developing countries. The Soviet Union will continue to supply these countries with machines and equipment and other goods necessary for the development of many sectors of their national economies. The USSR will receive from developing countries the products of their industry and traditional exports of interest to our national economy.

The development of trade with capitalist countries is also envisaged. It is planned to purchase from those countries equipment and materials for ferrous and nonferrous metallurgy, and for the chemical and certain other sectors of industry, including on the basis of compensatory agreements. The USSR will supply machine building products, oil and sawn lumber, and--in accordance with compensatory agreements and contracts--natural gas, ammonia, and chemical and other goods.

Esteemed comrade deputies!

The plan for 1980 which is submitted for your consideration provides for further growth in the country's economy and an upsurge in the people's well-being. The fulfillment of the planned targets must be based on an all-round improvement in production efficiency, the acceleration of scientific and technical progress, improvements in planning and management, and the strengthening of organization and order at every work station and at every management level.

It is necessary to launch nationwide socialist competition more widely and to strengthen state plan discipline in order to insure that plan targets and contractual commitments are fulfilled by every enterprise and every construction site. The experience of leading collectives which adopt counterplans and achieve high quantitative and qualitative indicators in economic management is worthy of dissemination everywhere.

"All our efforts," Comrade L.I. Brezhnev stressed in his speech at the party Central Committee plenum which has been held, "must be focussed on mobilizing the working people to fulfill the targets of the last year of the 5-year plan.... It is necessary to create an atmosphere of high exactingness, organization and a creative attitude to matters in all sectors of the national economy, in each production cell."

The successful fulfillment and overfulfillment of the targets of the USSR state plan for economic and social development in 1980 will be a great labor victory for the Soviet people on the eve of our party's 26th congress and a new step along the path of building communism. (applause)

GARBUZOV SUPREME SOVIET REPORT ON USSR STATE BUDGET

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[Text of report by Deputy V.F. Garbuzov, USSR minister of finance. "On the USSR State Budget for 1980 and the Implementation of the USSR State Budget for 1978" delivered at 28 November joint session of the USSR Supreme Soviet chambers]

[Text] Comrade deputies! The USSR Council of Ministers submits for your consideration and approval the USSR state budget for 1980--the concluding year of the 10th 5-Year Plan.

In the past 4 years our country's national economy has consistently developed in accordance with the course defined by the 25th CPSU Congress and the subsequent CPSU Central Committee plenums. Great new heights have been scaled in communist building, the state's economic and defense might has increased and the party's social program is being unswervingly implemented. Soviet society's sociopolitical and ideological unity and the inviolable cohesion of the working class, kolkhoz peasantry and intelligentsia around the Communist Party and its Central Committee headed by Comrade Leonid Ilich Brezhnev, that loyal continuer of Lenin's cause, outstanding politician and statesman of our time and ardent fighter for peace and social progress throughout the world, have strengthened still further under the banner of the new USSR Constitution.

This year has been marked by a great upsurge of the masses' political and labor activeness and the broad scope of working people's socialist competition. Industry's output will have increased by R21 billion. The further growth and intensification of social production, a rise in labor productivity and a high rate of scientific and technical progress in all sectors of the national economy have been insured.

In accordance with the decisions of the 25th CPSU Congress and of the CPSU Central Committee July (1978) Plenum great and purposeful work has been carried out this year to boost agriculture and strengthen its material and technical base. In connection with the difficult weather conditions prevailing in certain areas, additional measures for material and financial aid to kolkhozes and sovkhozes were adopted at the decision of the CPSU Central Committee and the USSR Council of Ministers. The selfless, strenuous labor of agricultural working people and the great aid from working people in other sectors of the national economy made it possible to considerably alleviate the consequences of the unfavorable weather factors and to gather in the harvest in a well organized fashion. This was a vivid manifestation of the wisdom and farsightedness of the party's agrarian policy and of the durability and inviolability of the alliance between the working class and the kolkhoz peasantry.

In accordance with the 25th party congress decisions a further rise in Soviet people's material and cultural living standards was implemented in 1979. The average monthly wage of workers and employees and kolkhoz members' remuneration increased and real per capita incomes rose. A major measure in the 5-year plan social program is being completed--raising the wages of personnel in the nonproduction sectors, which will affect 31 million people. The state's expenditure on implementing this measure will total R7.1 billion in annual terms. Retail trade turnover will increase by R11.5 billion. Payments and benefits from the social consumption funds will reach R110 billion this year, an increase of 4.3 percent. New apartment blocks with a total area of 102.5 million square meters have been constructed and as a result of this the housing conditions of about 10 million people have been improved.

The USSR state budget for 1979 will be implemented 100.2 percent in terms of income and 99 percent in terms of expenditure.

While noting the successes achieved in developing the economy, the CPSU Central Committee and the USSR Council of Ministers at the same time draw the attention of ministries, departments and union republic councils of ministers to the need for a more persistent struggle for the fulfillment and overfulfillment of the plan targets in all sectors of the national economy by all associations and enterprises on the basis of mobilizing the considerable existing internal economic reserves.

The Communist Party urges the Soviet people to make 1980 a year of shock labor and to develop still more widely the nationwide socialist competition to further raise production efficiency and work quality and successfully complete the 10th 5-Year Plan.

The USSR State Budget for 1980

Comrade deputies! The CPSU Central Committee plenum held on the eve of the USSR Supreme Soviet session examined and in the main approved the drafts of the USSR state plan for economic and social development and of the USSR state budget for 1980.

The USSR state budget for 1980 has been elaborated on the basis of the decisions of the 25th CPSU Congress and the subsequent CPSU Central Committee plenums and the new program tasks put forward by the CPSU Central Committee on the initiative of Comrade L.I. Brezhnev, general secretary of the CPSU Central Committee and chairman of the USSR Supreme Soviet Presidium. The solution of the aforementioned tasks is of exceptionally great importance for the further comprehensive development of the country's production forces and the stable raising of social production efficiency and work quality. It envisages the increasing preferential development of the power industry and the improvement of the national economy's entire technical base and the pulling up to scratch of vitally important components of the economy such as transport, ferrous and nonferrous metallurgy, machine building and the chemical industry while maintaining tireless concern for the further boosting of agriculture and the expansion of consumer goods production.

The budget has been drawn up in accordance with the draft state plan for the country's economic and social development in 1980 and supplies the necessary resources for further growth of the national economy, a rise in the people's prosperity and the strengthening of the state's defense capability.

The 1980 USSR state budget's revenue has been set at the sum of R284.6 billion, and expenditure at R284.4 billion. Income will exceed expenditure by R200 million.

The main source of budget revenue is receipts from the socialist economy, which will total R259.3 billion, or 91.1 percent of all budget revenue. The growth of this revenue is determined by the targets envisaged by the plan for the increase of social production and the raising of its efficiency. The main types of revenue should represent the following sums:

| | Billion Rubles | |
|---|---|---|
| | 1979 (Ratified) | 1980 (Draft) |
| Receipts From the Socialist Economy-- | 244.9 | 259.3 |
| Of which: | | |
| Payments from state enterprises' profits | 81.1 | 87.2 |

| | | |
|---|---|---|
| Turnover tax | 87.9 | 92.6 |
| Social insurance contributions from state enterprises and organizations, income tax from kolkhozes, receipts from foreign trade and other revenue | 75.9 | 79.5 |
| Payments from the population | 24.3 | 25.3 |

The profits of state enterprises in all sectors of the national economy have been set at the sum of R127.6 billion--an increase of 10.1 percent in comparable terms.

The profit targets set for ministries and departments are based on a further rise in the role of intensive factors in production growth. More than half the total envisaged increase in profits must be obtained by lowering production costs and overheads.

More than R50 billion profits--40 percent--will be left at enterprises' disposal to develop production and provide material incentives for personnel. And R30.6 billion will be channeled from all sources into the economic incentive funds.

In accordance with the national economic plan indicators, turnover tax will increase by 2.7 percent in comparable terms in the coming year and will total R92.6 billion.

Income tax from kolkhozes taking into account their income from the sale of agricultural produce and additional tax concessions granted by the CPSU Central Committee July (1978) Plenum, is set at R700 million.

Taxes from the population will total R23.9 billion. These receipts are calculated on the basis of the planned wage fund and existing rates of taxation.

The expenditure of the USSR state budget for 1980 is set at the following sums:

| | Billion Rubles | |
|---|---|---|
| | 1979 (Ratified) | 1980 (Draft) |
| National Economy | 114.4 | 149.4 |
| Social and Cultural Measures | 91.3 | 97.1 |
| Defense | 17.2 | 17.1 |
| Administration | 2.3 | 2.4 |

Enterprises' own resources and bank credits are also directed toward the financing of the national economy. The total sum of expenditure for these purposes will be R291.9 billion. The resources allocated in the plan and budget insure an improvement in production efficiency and work quality, the acceleration of a scientific and technical progress and the maximum utilization of intensive economic growth factors.

The development of the country's economy and the growth in national income make it possible to steadily implement the all-round upsurge in the Soviet people's well-being envisaged by the 25th CPSU Congress. In 1980 it is planned to increase wages and establish a number of concessions for sovkhoz workers in the RSFSR's Non-Chernozem Zone, to implement measures to further improve pension provision for kolkhoz members, to increase allowances to persons disabled from childhood and to provide free textbooks for pupils in the fourth and fifth grades at general educational schools. [paragraph continues]

In accordance with CPSU Central Committee and USSR Council of Ministers decisions the necessary appropriations are allocated for increasing wages and making one-time rewards for long service in railroad transport and for further incentives for work by pensioners in the national economy. Additional state expenditure on measures to improve the population's living standard will total R4.5 billion, and in total for measures implemented from the start of the 5-year plan the 1980 budget provides for R15.4 billion. Moreover state bonds for internal loans floated earlier for public subscription and among kolkhozes will continue to be liquidated.

Housing construction is taking place on a large scale. It is planned to construct residential blocks with a total area of 109.4 million square meters, which will make it possible to improve housing conditions for more than 10 million people. Housing conditions will have improved for more than 50 million people in the 5-year plan as a whole.

The party and government manifest constant concern for the development of the country's science. Our scientists make a substantial contribution to resolving the tasks of increasing production efficiency and speeding up scientific and technical progress in all sectors of the national economy.

The sum of R21.3 billion is allocated for financing science in 1980. The USSR State Committee for Science and Technology, the USSR Academy of Sciences, ministries, departments and the leaders of scientific research organizations must concentrate these considerable resources in the key directions of national economic development and must more successfully resolve the tasks of creating and introducing the latest equipment and production technology.

The budget provides the necessary appropriations for expanding and consolidating the Soviet Union's foreign economic relations.

Further development will take place in 1980 in the all-round economic cooperation between the Soviet Government and the fraternal socialist countries which widely commemorated in the current year the 30th anniversary of their main collective economic organ--CEMA.

Economic relations and business contacts with developing countries will expand in 1980. Mutually advantageous economic cooperation with capitalist states on an equitable basis will continue.

The USSR state budget for 1980 is a budget of peace and creation. The budget figures and indicators embody the Leninist domestic and foreign policy of the Communist Party and the Soviet state--a policy aimed at insuring the most favorable conditions for communist building and the further improvement of the people's well-being.

The Financing of Industry and Transport

Comrade deputies! In the years of the 5-year plan which have elapsed, workers in industry, implementing the decisions of the 25th party congress and CPSU Central Committee plenums, have achieved considerable successes in increasing output and improving product quality as a result of the broad introduction of the achievements of science and technology and increasing labor productivi y.

The plan and budget for 1980 provide for a further increase in the country's industrial potential. The volume of industrial production will increase 4.5 percent. The total sum of investments in industry will reach R157.6 billion, or 7.5 percent more than the plan approved for the current year.

The Communist Party devotes unremitting attention to insuring the steady development of heavy industry--the basis of the country's economic might. In 1980 measures are planned for the preferential development of the power industry, the strengthening of the material and technical base and increasing the capacities of the fuel and energy complex and improving its structure. This will make it possible to resolve more fully the tasks of satisfying the country's growing requirements for coal, oil, gas and electricity. Considerable resources are allocated for the development of industrial sectors which determine the acceleration of technical progress in the entire national economy--ferrous and nonferrous metallurgy, chemicals and machine building, which plays a key role in the technical refitting of the national economy. Appropriations for the development of heavy industry will increase 7.8 percent and will total R129.4 billion.

In accordance with the decision of the 25th CPSU Congress and the CPSU Central Committee November (1979) Plenum the fulfillment of a broad program for the further development of Group B sectors of industry, for expanding the production of consumer goods and for improving their quality and renewing the product mix will be continued in 1980. Finance for these sectors of industry is set at R28.2 billion, or at 6.1 percent increase.

The profits of industrial enterprises are set at R76.6 billion, or 9.1 percent more than in the current year. The increase in profits must be achieved by means of expanding product output and reducing prime cost on the basis of mobilizing internal economic reserves.

A decisive condition for increasing production efficiency and profits is increasing labor productivity. In industry, in accordance with the plan for 1980, this is to increase 3.8 percent and is to account for 85 percent of all the planned growth in output.

A number of industrial ministries, including those of heavy and transport machine building, ferrous metallurgy and light industry, have in recent years achieved an increase in production growth 90-100 percent by means of increasing labor productivity. However, many enterprises are still lagging behind in fulfilling targets for increasing labor productivity. There are a particularly significant number of such enterprises in the Ministry of Pulp and Paper Industry, the USSR Ministry of Coal Industry and the USSR Ministry of the Timber and Wood Processing Industry.

Individual ministries and enterprises leaders are not utilizing existing major reserves for increasing labor productivity on the basis of the automation and mechanization of operations, reducing the expenditure of manual labor and eliminating losses of time during shifts. A genuinely thrifty, careful attitude to work time has still not been achieved everywhere, as is indicated by instances of violations of labor, technological and plan discipline and uneven production.

In certain ministries the necessary support and attention is not given to progressive methods of organizing labor which have proved themselves well and which produce significant savings. This applies to the Shchekino method, team autonomous financing in industry, the advanced experience of the Avtovaz Association and certain other methods.

The CPSU Central Committee and the USSR Council of Ministers demand that ministries, departments, union republic councils of ministers, associations and enterprises create all the necessary conditions for the most rational utilization of labor resources and insure precise and efficient production organization and the fulfillment of plans and socialist pledges for increasing labor productivity.

As was indicated at the 25th CPSU Congress, a major reserve in industry is improving product quality. Individual ministries have obtained quite good [neplokhiye] results in this respect. Steady high indicators in the production of top-quality goods have been achieved in the Ministry of Electrical Equipment Industry, the Ministry of Automotive Industry, the Ministry of Heavy Transport Machine Building and the Ministry of Instrument Making, Automation Equipment and Control Systems. [paragraph continues]

Good quality is characteristic of the output from the Tbilisi fashion shoes factory of the Georgian SSR Ministry of Light Industry, the Rostov sewn goods production association, the Kishinev No 2 furniture factory and many other enterprises.

At the same time in a number of cases products continue to be produced which do not conform to the demands of production and of consumers. The production of obsolete machinery sometimes costs the state more and increases the consumption of metal and other material resources. Such negative phenomena must be resolutely eliminated.

The CPSU Central Committee and the USSR Council of Ministers have set USSR ministries and departments and union republic councils of ministers the task of intensifying the concentration of forces and resources on the decisive avenues of technical progress, implementing concrete measures to improve product quality at every enterprise in good time and adopting flexible measures to end the production of inefficient, heavy and unproductive machines, equipment and appliances. The USSR State Committee for Science and Technology and the USSR Gosstroy are instructed to strictly monitor efforts to insure the production at newly commissioned capacities of products which correspond in terms of technical standard and quality to or surpass the best home-produced or foreign examples; ministries, departments and organs of the State Committee for Standards must make wider use of economic incentives for technical progress and improving product quality and must step up the influence of standards on the constant updating of production and the all-round expansion of the production of highly economical, efficient machinery.

In work to insure the fulfillment of next year's plan and budget attention must be focused on questions of the most economical use of raw and other materials and fuel and energy resources. The CPSU Central Committee Resolution "On Further Improving Ideological and Political Education Work" notes as one of the most important tasks of political education work the need to widely develop the struggle for economy and a careful attitude toward socialist property and against extravagance.

In industry and other sectors of the national economy effective comprehensive measures are needed to emphatically strengthen the policy of thrift in all sectors of production, at every enterprise and at every workplace.

Enterprise collectives that approach the matter in a state-minded way obtain very appreciable savings in material resources. The CPSU Central Committee recently approved the work of Chelyabinskaya Oblast party organization and the oblast's metallurgical enterprises to expand the production of economical types of rolled metal--which yields a significant metal saving. This is a very important initiative and must be disseminated in every possible way.

On the instructions of the CPSU Central Committee and the USSR Council of Ministers measures have been implemented this year to insure the strictest economy and thrift throughout the national economy in the use of fuel, electricity, heat, metal and raw and other materials.

The 1980 plan sets a target for further savings of state material resources. The fulfillment of this target will make it possible to reduce industrial output prime costs and to obtain about R2 billion in additional profits. Ministries, departments and union republic councils of ministers must insure a real saving in materials expenditure and eliminate losses and nonproductive spending.

The acceleration of the turnover of commodity and material assets in the national economy has an important role in the system of measures envisaged by the 25th CPSU Congress for raising production efficiency.

The USSR Council of Ministers set ministries and departments a specific plan for 1976-1980 for bringing above-normative and excess stocks of material assets into economic circulation. However, certain ministries--the Ministry of the Power Industry, the Ministry of Chemical and Petroleum Machine Building, the Ministry of the Food Industry and certain others--are not fulfilling the government targets set them.

Next year's plan and budget envisage accelerating the turnover of circulating funds in the national economy and bringing more than R1 billion of commodity and material assets into national economic circulation.

In accordance with the planned volume of production for 1980 in the national economic sectors their working capital quota is R141.7 billion. The increase in the quota will be R5.3 billion and insures the normal operation of enterprises and organizations.

USSR ministries and departments and union republic councils of ministers must take measures to fulfill the targets for accelerating the rate of turnover of commodity and material assets and also to insure the safekeeping at enterprises of working capital allocated by the state.

The budget allocates R26 billion to finance transport, communications and radio and television broadcasting in 1980--an increase of 4.6 percent. Some R8.7 billion is allocated for the development of railroad transport--an increase of 8.5 percent. These funds are for the further technical equipping of all types of transport, the expansion of the railroad network and the growth of railroad throughput capacity: Considerable appropriations are allocated for the development of railroads in eastern parts of the country.

The Communist Party and the government are constantly concerned about the development of railroad transport, which is vitally important for all national economic sectors. During the years of the current 5-year Plan railroad transport has been given considerable material and technical assistance, 20-percent wage-rate increments have been introduced for workers on 11 railroads, and additional earnings benefits are stipulated for workers in railroad transport and at industrial enterprises in the Ministry of Railways.

Guided by the instructions of the CPSU Central Committee and USSR Council of Ministers, the Ministry of Railways must elaborate measures insuring an improvement in railroad transport work and in passenger and freight shipments.

Finance organs and bank institutions must intensify their monitoring of the fuller mobilization of reserves in national economic sectors and the unswerving observance of a strict policy of thrift in the expenditure of state funds.

Financing Agriculture

Comrade deputies! The Communist Party is implementing its agrarian policy with utmost persistence and vigor. Its main aim is to insure reliable supplies of food and agricultural raw materials for the country and a steady improvement in the people's well-being.

In accordance with the decisions of the 25th party congress and the CPSU Central Committee July (1978) Plenum the plan and budget for 1980 envisage measures to further comprehensively strengthen the material and technical base of kolkhozes and sovkhozes to carry out widespread land reclamation and chemicalization and to transform agriculture into a highly developed economic sector. Some R50.9 billion from the budget, sovkhozes' own funds and bank credits, will be used to develop agriculture--6 percent more than in 1979.

In 1980 the plan provides for R25 billion in state capital investments for the construction of complexes for the production of livestock products on an industrial basis, poultry farms and livestock units, for the acquisition of equipment and also for the construction of housing, cultural and consumer service premises for rural workers. Moreover, kolkhozes will allocate R11.9 billion for capital construction out of their own funds and bank credits.

The turnover of organizations of the USSR State Committee for Agricultural Production and Technical Supply will increase by 5 percent, rising to R23.4 billion.

The plan and budget attach great significance to land reclamation, which insures large and stable harvests. Some R9.9 billion are allocated for this.

An important role in agricultural development is allocated to the planned transformation of the Non-Chernozem Zone of the RSFSR, which the party intends to turn into an area of highly productive farming and livestock raising. Some R9.4 billion will be used for measures to improve agricultural production in this area.

The profits of sovkhozes and other state agricultural enterprises are fixed at R3.9 billion, almost all of which will be retained for their own needs. Sovkhozes also retain financial reserves in the form of spare profit, depreciation allowances, reserve funds and the fund for expanding and strengthening the farm to a total of R2.2 billion. Low-profitability sovkhozes are allocated R1 billion from the budget to pay for property insurance. An insurance fund of R3.8 billion will be set up in 1980 on the basis of kolkhozes' and sovkhozes' own funds and the state budget to compensate for losses as a result of natural disasters and unfavorable weather conditions.

Guided by the decisions of the 25th party congress and the CPSU Central Committee July (1978) Plenum and Comrade L.I. Brezhnev's instructions, the USSR Ministry of Agriculture and its local organs must step up organizational activity to boost the agricultural economy, improve labor productivity, reduce the prime cost of agricultural products, make more efficient use of equipment and mineral fertilizers, reduce losses and unproductive expenditure and insure the rational expenditure of the major resources allocated by the state for the development of this important national economic sector.

Financing Capital Construction

Comrade deputies! Capital construction has always been and remains the focus of attention of the CPSU and the Soviet state. The growth of social production and the improvement of the population's well-being largely depend on the successful implementation of construction plans.

During the 5-year plan a big capital investment program has been fulfilled. The national economy's fixed production capital will increase by R72 billion this year alone and will exceed R1 trillion by the beginning of 1980.

Finance for state capital investments for 1980 has been set at a sum of R119.1 billion. In accordance with the party's course toward raising production efficiency, preferential growth is planned for work volumes at the most important projects nearing completion and at construction sites in rail transport, the oil extracting and gas industry, ferrous and nonferrous metallurgy electrical engineering and the chemical, coal, light and food industries. A large amount of housing, cultural and consumer services construction is planned.

To insure the planned volume of construction the plan and budget for 1980 allocate the necessary funds for consolidating the material and technical base of the construction industry and expanding and updating the pool of construction machinery and equipment. Capital investments for this purpose have been set at R3.9 billion.

In the forthcoming year, work will be stepped up on the modernization and retooling of existing industrial enterprises on the basis of modern highly productive equipment. This will make it possible to accelerate the national economy's development rates and to resolve more effectively the tasks of increasing production of new output with smaller capital investments and savings on production expenses. The plan and budget envisage supplying the national economy with machinery and equipment for modernizing and constructing enterprises through state capital investments totaling R46 billion, or R3.3 billion more than was allocated for this purpose this year.

The 25th CPSU Congress and the CPSU Central Committee November (1978) Plenum demanded a radical improvement in the organization of construction matters to insure the on-schedule commissioning of production capacities and fixed capital. The task set was to step up the concentration of forces and resources in capital construction and put an end to the fragmentation of resources.

A number of construction organizations, successfully using advanced labor methods, are recording notable achievements in increasing the effectiveness of capital investments. In Leningradskaya Oblast, for instance, since the start of the 5-year plan the volume of funds per construction site has almost doubled as a result of the concentration of resources, the number of projects simultaneously under construction has been reduced by one-fourth and the commissioning of fixed capital has been accelerated. The experience of Moscow, Ivanov, Baku, Kemerovo, Sverdlovsk and other cities which skillfully pool the efforts of construction subdepartments and industrial enterprises in modernizing production and thus insure an increase in the return on capital investments deserves attention and wide dissemination.

At the same time the situation in capital construction is as yet improving only slowly. In many USSR ministries and departments, union republics and oblasts funds are not sufficiently concentrated on projects nearing completion and fragmentation of resources continues. As a result, above-plan volumes of uncompleted construction continue to grow.

The improvement of the effectivenss of capital investments is largely determined by the prompt and full utilization of the equipment delivered to construction sites. It should be noted that on a number of ministries' construction sites considerable above-norm stocks of Soviet-produced and imported equipment have accumulated because of major shortcomings in the organization of construction and the fragmentation of funds. Stocks of this equipment are particularly large in the ministries of the chemical industry, ferrous metallurgy, the petroleum refining and petrochemical industries and the petroleum industry. With a view to reducing above-norms stocks of uninstalled equipment it is planned to bring R2.2 billions-worth of this equipment into economic circulation in 1980. USSR ministries and departments and union republics councils of ministers must insure the stipulated reduction in above-norm equipment stocks.

The plan and budget for 1980 set a profit target of R6.7 billion for construction and installation organizations. The construction ministries and leaders of contracting organizations must elaborate specific measures insuring the efficient utilization of material resources, manpower and financial resources and the fulfillment of profit plans and budget commitments.

Displaying tireless concern for increasing the effectiveness of capital investments, the CPSU Central Committee and the USSR Council of Ministers have adopted additional measures this year to keep cadres in construction and to improve their training. The team contract and progressive forms of labor remuneration must be used more effectively at construction sites and the vocational training of construction workers must be intensified.

The CPSU and the government have set USSR ministries and departments and union republic councils of ministers the task of doing everything necessary for the more efficient utilization of allocated material resources and capital investments by concentrating them on the construction of projects nearing completion, limiting the number of newly launched construction projects, accelerating the commissioning of production capacities and projects and reducing uncompleted construction.

The USSR Council of Ministers has instructed USSR ministries and departments and union republic councils of ministers to limit as much as possible in 1980 the number of newly launched construction sites for production purposes, except for projects for consumer goods production. It is envisaged that new construction projects can be included in the plan only when opportunities for using existing similar production capacities have been exhausted, and construction projects already in progress have been fully supplied with capital investments and the necessary conditions exist for completing the construction of newly launched projects in accordance with the established norms for the duration of construction. The USSR All-Union Bank for the financing of capital investments and the USSR Gosbank have been set the task of financing new construction projects only if these requirements are observed.

Financing Trade and Consumer Services

Comrade deputies! The development of trade and consumer services for the population is of great significance in implementing the party's social program and steadily increasing the Soviet people's well-being.

In the 10th 5-Year Plan consumer goods production has increased, the material and technical base of trade and consumer services for the population has grown, and their provision with modern equipment has been improved. Progressive forms of trade and consumer services are being introduced more actively.

Trade and consumer services will enjoy further development in 1980. Some R7.7 billion are being allocated for these purposes. Retail commodity turnover will increase by R12.9 billion and total R264.2 billion. The volume of consumer services will increase to R8 billion, or by 7.3 percent.

The 25th party congress and the CPSU Central Committee November (1978) Plenum pointed out the need to expand in every possible way the production of consumer goods which meet customers' needs more fully.

However, trade organizations do not always display the requisite exactingness toward industrial enterprises supplying goods. Many inconveniences are also created for customers by insufficiently flexible maneuvering of commodity resources around the country's regions.

The USSR Ministry of Trade and local trade organs must strengthen ties with industry more actively, devote more attention to studying public demand for commodities and take it more fully into account in economic contracts with industrial enterprises. It is also necessary to insure the correct distribution of commodities among the country's trade systems and regions and to introduce progressive and effective work methods more widely.

Full use is not made of the potential for expanding consumer services for the population in a number of union republics and oblasts. The population's requirements for services in repairing and making up sewn and knitted goods, in dry cleaning and dyeing and in house repairs are not satisfied adequately.

Union republic councils of ministers and soviet ispolkoms must improve the work of consumer services enterprises and raise the standard of services for the population and the quality of the services rendered.

Spending on Sociocultural Measures

Comrade deputies! All the Communist Party's policies and practical activities are aimed at insuring all the necessary conditions for raising the Soviet people's material and cultural living standard and insuring the comprehensive development of the individual.

In accordance with the 25th CPSU Congress decisions a number of major measures have been implemented during the 5-year plan to further improve public education and culture, public health and social security. The educational training and labor instruction base in general education schools has been strengthened, payment for school textbooks is gradually being eliminated, the norms for spending on catering and on the acquisition of medical supplies for certain categories of patients have been raised, and the population's pension provision is being improved. The transition to general secondary education for young people has been an outstanding social achievement of the 10th 5-Year Plan.

The sphere of sociocultural services for the population will enjoy further development in the coming year. The USSR state budget for 1980 provides for R97.1 billion for sociocultural measures, that is, an increase in these appropriations of R5.8 billion over the year. They are distributed in individual areas as follows:

Billion Rubles

| | Confirmed for 1979 | Planned for 1980 |
|---|---|---|
| Education | 38.0 | 39.7 |
| Public Health and Physical Culture | 13.6 | 14.4 |
| State Social Security | 39.7 | 43.0 |

The plan and budget outline the further development of public education of children and schoolchildren. Overall spending on the maintenance and construction of children's preschool establishments and schools and on their provision with equipment and stock in 1980 will total R15 billion. The contingent of children in preschool establishments, including kolkhoz establishments, will reach 14.7 million and increase 4.1 percent. Some 38.9 million pupils will be studying in general education schools. The number of pupils in extended-day schools and groups will increase 6.9 percent.

The growth of social production and the acceleration of scientific and technical progress under the conditions of developed socialism demand the planned broadening of the training of specialist and skilled worker cadres. More than R8 billion is being allocated from the budget for this purpose in 1980. It is planned to increase the number of graduates from VUZes, technical colleges and vocational and technical schools. More than 2 million specialists with higher and secondary specialized education and 2.3 million highly-skilled workers will be directed to sectors of the national economy.

Safeguarding people's health is a special concern of the Communist Party and the Soviet state. A sound material base for the public health system has been created in our country. [paragraph continues]

Every year sees an increase in appropriations to tend the network of medical establishments and provide them with special equipment and apparatus. Budget spending on public health and physical culture will total R14.4 billion. The number of hospital beds will reach 3.3 million.

A very great achievement of the Socialist Revolution was the creation in our country of an integral system of state social insurance and security. The state social insurance budget, out of which workers and employees are paid pensions and allowances, is envisaged at a total sum of R34.5 billion, an increase of 6.6 percent.

Some R32.9 billion, or R3 billion more than this year, will be directed toward paying all types of pensions out of the budget and other sources.

Union republic councils of ministers and local soviets must take all measures to make the most efficient use of the huge funds allocated by the state to satisfy the working people's sociocultural needs.

Financing Defense and Management

Comrade deputies! The Soviet people's successes in communist building and the consolidation of our country's international positions are exerting an increasingly favorable influence on international relations and are helping to strengthen world peace and the peoples' security.

Implementing the peace program proclaimed by the 24th CPSU Congress and developed by the 25th CPSU Congress, the Soviet Union with other socialist countries is firmly and consistently directing its efforts at ending the arms race, making the detente process irreversible and insuring peaceful conditions for communist building.

The Soviet Union's historic peace initiative launched by Comrade Leonid Ilich Brezhnev in his Berlin speech on the GDR's 30th anniversary was an outstanding recent event of truly worldwide significance.

The constructive new Soviet proposals are yet further graphic evidence of the tremendous titanic activity tirelessly pursued by our party, by the state and by Comrade L.I. Brezhnev personally for the benefit of peace and social progress throughout the world. The Soviet Union has again set an example for good will and has showed its sincere desire and a real potential to substantially ease international tension, embark on the path of real disarmament and to preserve and multiply the fruits of detente and peaceful cooperation.

However, forces attempting to wreck the detente process are still active in the world. Aggressive imperialist NATO circles are unrestrainedly building up arms, boosting military expenditure and adopting enormous military budgets via their legislative organs on the far-fetched and mendacious pretext of the "Soviet military threat."

Under these conditions the Communist Party and the Soviet Government, continuing to wage a consistent and steady struggle to achieve lasting peace, take constant pains to strengthen and improve our country's defense. The USSR 1980 state budget envisages R17.1 billion--6 percent of total budget expenditure--for defense expenditure.

Comrade deputies! At the current stage of development of scientific and technical progress tremendous significance attaches to the consistent implementation of the party's line toward the all-round improvement of management, which is an important reserve for improving the leadership of the economy so as to insure a steady rise in production efficiency and work quality.

In the 10th 5-Year Plan major measures have been implemented in accordance with CPSU Central Committee and USSR Council of Ministers decisions relating to the further improvement of economic management: Master schemes for sectorial management have been drawn up and introduced in 35 ministries and the transition is being made to the two- and three-tier system of management on the basis of creation of economic associations. As a result production concentration has been enhanced and the production sharing and specialization of enterprises has been intensified. The draft budget provides for savings to be made by a R1.1 billion reduction of expenditure on national economic management.

The CPSU Central Committee resolution "On the Further Improvement of the Economic Mechanism and the Tasks of Party and State Organs" and the CPSU Central Committee and USSR Council of Ministers resolution "On Improving Planning and Intensifying the Impact of the Economic Mechanism on Enhancing Production Efficiency and Work Quality" are of tremendous significance for the country's further socioeconomic development and for an improvement in the efficiency of social production.

These documents testify to the consistent implementation of the party's economic strategy and they orient us toward the achievement of high national economic end results, the broad introduction of scientific and technical achievements and leading experience into the national economy, toward insuring zealous economic management and making most efficient use of all our potential and resources--everything which the country has at its disposal.

The party and government have made it incumbent upon ministries, departments and enterprise chiefs to mount major organizational and political work to eliminate existing shortcomings, to persistently strive for increasingly tangible results from production and to make fuller use of reserves for the realization, according to plan, of the key task of our time, which is to improve efficiency and quality in all avenues of economic and cultural building.

The Communist Party requires that leaders of ministries, departments, enterprises, organizations and construction projects further improve work style and methods, intensify organization and coordination among all elements of the economy, steadily strengthen labor discipline and order in production and increase cadres' responsibility for the fulfillment of established plans and contractual obligations.

Union Republic State Budgets

Comrade deputies! The peoples of the Soviet Union, led and inspired by Lenin's party, are confidently scaling the new heights of communist building outlined by the 25th CPSU Congress and are achieving a further upsurge in the economy and culture.

The plan and budget for 1980 provide for a broad program of further socioeconomic development for all fraternal union republics. The union republic budgets will amount to a total of R122.3 billion. This is R5.1 billion more than the budgets established by the USSR Supreme Soviet for the current year.

The 1980 draft state budgets of the union republics comprise the following amounts:

| | Million Rubles |
|---|---|
| RSFSR | 67,134 |
| Ukraine | 20,806 |

| | |
|---|---|
| Belorussia | 5,222 |
| Uzbekistan | 5,218 |
| Kazakhstan | 8,391 |
| Georgia | 2,031 |
| Azerbaijan | 1,949 |
| Lithuania | 2,327 |
| Moldavia | 1,637 |
| Latvia | 1,567 |
| Kirgizia | 1,438 |
| Tadzhikistan | 1,254 |
| Armenia | 1,335 |
| Turkmenia | 980 |
| Estonia | 1,027 |

The union republics' national economic expenditure from budgets and from enterprises' own funds is set at R113.3 billion with an increase of 5.1 percent. These appropriations are earmarked mainly for the financing of sectors connected with the production of consumer goods, for the expansion of consumer services and also for housing and municipal construction work and the provision of public services and amenities. The union republics' budget expenditure on sociocultural measures is envisaged at R61.7 billion, or an increase of 4.7 percent. The funds allocated for 1980 will fully cover the measure for the further economic and cultural development in all the union republics and the improvement of people's prosperity outlined for that year.

The USSR Council of Ministers submits for USSR Supreme Soviet's ratification the report on the implementation of the USSR 1978 state budget. The budget was fulfilled, as regards revenue, to the tune of R265.8 billion, or by 102.7 percent against what was planned and expenditure amounted to R260.2 billion, or 100.7 percent of the planned total, revenue exceeding expenditure by R5.6 billion. Detailed information on individual items of revenue and expenditure is cited in the report distributed to deputies.

Comrade deputies! The plan and budget for 1980 round off the Soviet Union's jubilee 10th 5-Year Plan. Life has convincingly proven the great and invincible force of party policy and the exceptional fruitfullness of the political, economic and organizational measures devised by the 25th CPSU Congress and CPSU Central Committee plenums in the sphere of economic building and social progress.

In 1980 our entire country will celebrate the 110th anniversary of V.I. Lenin's birth. There is no doubt that the Soviet people under the leadership of the Communist Party will extensively mount nationwide socialist competition and with new labor achievements fittingly mark Lenin's jubilee and the forthcoming 26th CPSU Congress.